Baker, Dan

From: The Buckeye Institute <info@buckeyeinstitute.org>
Sent: Monday, July 02, 2018 12:15 PM
To: Baker, Dan
Subject: ICYMI: Buckeye's Robert Alt Looks at the Impact of Janus in The Columbus Dispatch & The Hill

THE BUCKEYE INSTITUTE

Following last week's Supreme Court ruling in *Janus v. AFSCME*, Robert Alt, president and chief executive officer at The Buckeye Institute, looked at what the ruling means for Ohio's public employees and government unions in ***The Columbus Dispatch*** (complete piece below).

Alt also had a piece in ***The Hill***, where he wrote, "Consent matters. But you don't have to take my word for it -- just ask the Supreme Court of the United States. In *Janus v. AFSCME*, the Court's five-member majority held that the First Amendment protects public-sector employees -- including petitioner Mark Janus -- from being compelled 'to subsidize private speech on matters of substantial public concern' without prior affirmative consent."

Read the full *Hill* piece **here**.

The Columbus Dispatch

Janus decision protects workers who dissent from union

The Columbus Dispatch
By Robert Alt
July 1, 2018

In *Janus v. American Federation of State, County, and Municipal Employees, Council 31*, the U.S. Supreme Court decided that public-sector workers must affirmatively consent before any money can be taken from them for union fees.

Since Wednesday's ruling, folks on both sides have unfortunately succumbed to hyperbolic overreaction. The most cursory recollection of our country's founding reminds

us that the same idea of consent was integral to empowering the government in the first place. Accordingly, it should surprise precisely no one that the court was concerned with the compulsion aspect of the case's facts.

Plaintiff Mark Janus -- an ordinary child-support specialist at the Illinois Department of Healthcare and Family Services -- objected to paying mandatory union fees as a condition of his employment and lamented, "The union voice is not my voice. The union's fight is not my fight. But a piece of my paycheck every week goes to the union. I am not anti-union... But unions aren't a fit for everyone. And I shouldn't be forced to pay money to a union if I don't think it does a good job representing my interests."

The Supreme Court agreed with Janus that, indeed, consent matters. Common courtesy and basic human decency have always demanded it, but now -- in overruling its own 41-year-old precedent in *Abood v. Detroit Board of Education* -- the court found that the First Amendment requires affirmative consent when it comes to paying union fees, too.

Writing for a five-member majority, Justice Samuel Alito raised the court's objection to public employees being forced to financially support their unions, "even if they choose not to join and strongly object to the positions the union takes." Such an arrangement, Alito concluded, "violates the free speech rights of nonmembers by compelling them to subsidize private speech on matters of substantial public concern."

Unions will continue to serve their consenting members for generations to come -- only now they will do so more effectively, more efficiently and without trampling the constitutional rights of their members.

Any Ohio unions worried that *Janus* and other subsequent right-to-work laws will catalyze the end of unions and union membership can rest easy. Empirical studies and data from right-to-work states, including our neighbors Indiana and Michigan, demonstrate that even after enacting right-to-work laws, union membership not only does not suffer but often increases.

In the first full year after Indiana's right-to-work law took effect, for example, the state added 3,000 new union members. Although union membership initially fell slightly after Michigan adopted right-to-work rules in 2013, it has since recovered, accounting for 15.6 percent of all wage and salary workers in 2017 -- up from 14.4 percent in 2016 and well above the national average of 10.7 percent.

After *Janus*, the quality of public-sector union representation inevitably will improve. Removing coercion and requiring affirmative consent will incentivize union leaders to be more responsive to the needs and desires of their union members, which will increase the value of union membership by refocusing the union's attention on increasing job satisfaction and working conditions for members.

Happier and better-served union members who have affirmatively consented to their union membership should be our shared end goal across the political spectrum.

Public-sector workers won the long-overdue right to be respected, irrespective of their individual decisions regarding union membership. And, in a nation founded upon the consent of the governed, the standard of consent adopted by the Supreme Court in *Janus* finally gives our hardworking public servants the voice and choice they have always deserved.

Robert Alt is the president and chief executive officer of The Buckeye Institute in Columbus.

###

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From: The Buckeye Institute <info@buckeyeinstitute.org>
Sent: Wednesday, July 11, 2018 8:00 PM
To: Baker, Dan
Subject: The Buckeye Institute Reacts to DeWine's Support of Medicaid Expansion in Ohio

THE BUCKEYE INSTITUTE

Contact: Lisa Gates, Vice President of Comms
(614) 224-3255 or **Lisa@BuckeyeInstitute.org**

FOR IMMEDIATE RELEASE
July 11, 2018

The Buckeye Institute Reacts to DeWine's Support of Medicaid Expansion in Ohio

Columbus, OH -- The Buckeye Institute responded to Attorney General Mike DeWine's **statement** that he now supports Medicaid expansion in Ohio, saying in a Tweet, "This is ill-advised."

###

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The Buckeye Institute, 88 East Broad Street, Suite 1120, Columbus, OH 43215

Baker, Dan

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To:	Baker, Dan
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The Columbus Dispatch

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By Robert Alt
July 1, 2018

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From:	The Buckeye Institute <info@buckeyeinstitute.org>
Sent:	Wednesday, June 27, 2018 4:14 PM
To:	Baker, Dan
Subject:	The Buckeye Institute: Licensing Reform Policies in SB 255 Benefit Ohio Workers

THE BUCKEYE INSTITUTE

Contact: Lisa Gates, Vice President of Comms

(614) 224-3255 or **Lisa@BuckeyeInstitute.org**

FOR IMMEDIATE RELEASE
June 27, 2018

The Buckeye Institute: Licensing Reform Policies in SB 255 Benefit Ohio Workers

Columbus, OH -- **The Buckeye Institute** issued the following statement following the passage of Senate Bill 255.

"Today the Ohio Senate took a major step forward in addressing Ohio's burdensome occupational licensing regime. By moving forward with the policies in Senate Bill 255 the General Assembly is strengthening the tools available to ensure licenses are the least restrictive while fully ensuring public safety," said Greg R. Lawson, research fellow at The Buckeye Institute. "It is time to stop making Ohio less competitive, less prosperous, and less attractive to entrepreneurs and their employees. Too many licensing requirements only make finding a job more difficult for those who can least afford it."

###

The Buckeye Institute, 88 East Broad Street, Suite 1120, Columbus, OH 43215

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Sent by info@buckeyeinstitute.org

Baker, Dan

From:	The Buckeye Institute <info@buckeyeinstitute.org>
Sent:	Wednesday, June 27, 2018 4:02 PM
To:	Baker, Dan
Subject:	The Buckeye Institute: Policies in SB66 Will Help Ohioans Rebuild Their Lives

THE BUCKEYE INSTITUTE

Contact: Lisa Gates, Vice President of Comms

(614) 224-3255 or **Lisa@BuckeyeInstitute.org**

FOR IMMEDIATE RELEASE
June 27, 2018

The Buckeye Institute: Policies in SB66 Will Help Ohioans Rebuild Their Lives

Columbus, OH -- Daniel J. Dew, legal fellow at **The Buckeye Institute's** Legal Center, issued the following statement on the passage of Senate Bill 66, sponsored by senators John Eklund (R-18) and Charleta Tavares (D-15). The bill now awaits Governor John Kasich's signature.

"Today, with the passage of Senate Bill 66, Ohio took another step forward to help our fellow citizens rebuild their lives. These new policies will help Ohioans, who have committed low-level offenses and often suffer from addiction or mental health issues, get the treatment they need, and, after repaying their debt to society, will enable them to remove the modern-day scarlet letter of a criminal record that is a barrier to employment, housing, and education," said Daniel J. Dew, legal fellow at The Buckeye Institute's **Legal Center**. "Thanks to the hard work and dedication of senators Eklund and Tavares, Senate President Larry Obhof (R-22), as well as Representative Nathan Manning (R-55), more Ohioans will have the ability to provide for themselves and their families."

Among other things, Senate Bill 66 changes the purposes of criminal sentencing to include rehabilitation, expands opportunities for defendants to be placed in treatment programs, and gives judges more discretion to seal criminal records for people who have shown a commitment to staying on the straight and narrow.

"I want to thank The Buckeye Institute for its help in the process. With Sub. Senate Bill 66 Ohio takes significant, purposeful steps forward in our efforts to promote the rehabilitation of offenders and their reintegration into society," said Senator John Eklund, one of the bill's primary sponsors. "Many offenders clearly need treatment more than they need prison, and can be more effectively punished and rehabilitated in alternative corrections facilities."

Eklund continued, "By expanding the availability of alternatives to prison, promoting treatment for those who need it, and broadening opportunities for ex-offenders to have their records sealed, this bill will reduce costs and recidivism, and enhance the role our criminal justice system plays in keeping us safe while ensuring a just society."

###

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Baker, Dan

From:	The Buckeye Institute <info@buckeyeinstitute.org>
Sent:	Wednesday, June 06, 2018 5:37 PM
To:	Baker, Dan
Subject:	The Buckeye Institute: Energy Mandates and Subsidies Harm Ohio's Economy

THE BUCKEYE INSTITUTE

Contact: Lisa Gates, Vice President of Comms

(614) 224-3255 or **Lisa@BuckeyeInstitute.org**

FOR IMMEDIATE RELEASE
June 6, 2018

The Buckeye Institute: Energy Mandates and Subsidies Harm Ohio's Economy

Greg Lawson Testifies Before the Ohio Senate Energy and Natural Resources Committee

Columbus, OH -- The Buckeye Institute's Greg R. Lawson testified today (see full text below or **download a PDF**) before the Ohio Senate Energy and Natural Resources Committee on House Bill 114.

In setting the context for his testimony, Lawson told policymakers that The Buckeye Institute "support[s] renewable energy and encourage[s] the growth of the renewable energy industry in Ohio. But we do not support government-imposed energy mandates of any kind. Our position against government mandates extends far beyond the renewable energy sector...The Buckeye Institute consistently opposes any mandates, subsidies, or bailouts for any energy resource."

Lawson went on to outline the harm Ohio's Renewable Portfolio Standard (RPS), even the lower standards in the Senate's version of House Bill 114, would inflict on the state's economy. "If the RPS mandates cap out at 8.5 percent, as proposed in the substitute version of House Bill 114, and the price of renewable energy credits increases to historical highs, we expect employment to be 1.4 percent less and the state's GDP to be 1.3 percent smaller. Such reductions will mean 63,000 fewer jobs in Ohio by the time the RPS is fully implemented."

Reminding policymakers that the RPS functions like a tax on electricity "by increasing the product's price without providing the consumer with any additional benefit or value," Lawson highlighted the reliability of Buckeye's dynamic macroeconomic model over static input-output models in assessing potential economic impacts of policies like RPS. "Input-output models fail to account correctly for behavioral changes such as the effects that a price increase has on electricity demand and total output -- especially in energy-intensive

industries...Thus, unlike other studies, our analysis accounts for economic realities like higher electricity prices and non-green sector layoffs rather than assuming or wishing them away."

###

Interested Party Testimony Before the Ohio Senate Energy and Natural Resources Committee on House Bill 114

Greg R. Lawson, Research Fellow
The Buckeye Institute
June 6, 2018

Chairman Balderson, Vice Chair Jordan, Ranking Member O'Brien, and members of the Committee, thank you for the opportunity to testify today regarding renewable energy and House Bill 114.

My name is Greg R. Lawson. I am the research fellow at **The Buckeye Institute**, an independent research and educational institution -- a think tank -- whose mission is to advance free-market public policy in the states.

Members of this committee have diligently worked to find a responsible path forward for Ohio's renewable energy policy. And we appreciate that. We also recognize that the Renewable Portfolio Standard (RPS) would be modified in the Senate's substitute version of House Bill 114 to max out at 8.5 percent in 2022 rather than continue the march up Mandate Mountain to 12.5 percent in 2026 as under current law. Although that substitution certainly improves the status quo, we do not support Ohio having any RPS mandate.

To be clear, we support renewable energy and encourage the growth of the renewable energy industry in Ohio. But we do not support government-imposed energy mandates of any kind. Our position against government mandates extends far beyond the renewable energy sector. As our previous testimony against the Ohio Valley Electric Company bailouts[1] and the Zero Emissions Nuclear Resource Program[2] made clear, The Buckeye Institute consistently opposes any mandates, subsidies, or bailouts for any energy resource.

On principle, we maintain that all customers, whether residential, commercial, or industrial, should remain free to use and purchase from a menu of energy options voluntarily. Government mandates that require quotas and compelled consumption not only infringe upon such freedom but are, in fact, unnecessary in today's energy market.

The Business Council for Sustainable Energy recently found, for example, that 18 percent of all energy generation in the United States comes from renewable sources,[3] which means that consumers are already choosing renewable energy. Furthermore, large renewable energy consumers like Amazon and EnerBlu just enlarged their footprint in Kentucky, right next door -- and Kentucky does not have renewable energy mandates.[4] EnerBlu, in fact, relocated its headquarters to Kentucky just this spring.[5] Other financial incentives perhaps enticed these companies to expand in Kentucky, but they did so voluntarily, choosing a non-RPS state over Ohio.

As they make Ohio less attractive and less competitive for businesses, energy mandates will generate their own harmful downstream effects on the state's economy.

Last year, The Buckeye Institute's Economic Research Center used its dynamic macroeconomic model to study the potential effects of Ohio's current RPS program under four different scenarios (explained in the **attached Appendix**).[6] Using historical data from the Public Utilities Commission, we calculated the percent increase in electricity prices caused by the cost of RPS compliance. Under the RPS, electricity providers purchase renewable energy credits -- or RECs -- which add expenses above and beyond the cost of buying and distributing wholesale electricity. Providers pass that additional cost on to consumers. Thus, RPS functions very much like a tax on electricity by increasing the product's price without providing the consumer with any additional benefit or value. Our dynamic economic model applied past and projected price increases caused by RPS to estimate the effect of this tax on state GDP and employment growth. The results, though not surprising, should concern this Committee as the model revealed that RPS reduces Ohio's GDP and curbs job growth across the state by increasing the costs of producing energy.

If, for example, the RPS mandates cap out at 8.5 percent, as proposed in the substitute version of House Bill 114, and the price of renewable energy credits increases to historical highs, we expect employment to be 1.4 percent less and the state's GDP to be 1.3 percent smaller. Such reductions will mean 63,000 fewer jobs in Ohio by the time the RPS is fully implemented. Even if REC prices remain constant at historical lows as the mandates resume to 8.5 percent, Ohio will employ 25,400 fewer people and produce nearly $2.8 billion less output by the final year of compliance.[7]

Advocates of the RPS mandates contend that increasing investments and job growth in the renewable energy sector offsets the program's economic costs and losses. Our model accounts for such green job growth. By using Ohio's historical RPS, electricity, and employment data, our model calculates green job growth and changes to non-green sectors attributable to the mandate. The model found that green job growth did not make up for the heavier job losses in other sectors.

Other studies, of course, claim to find economic benefits from RPS programs. Our model and analysis, however, better reflects the likely economic effects of the policy because it is closely tailored to the renewable mandate and does not conflate RPS costs with reduced bills from energy-efficiency mandates. Moreover, our fully documented and transparent model is dynamic, showing changes over time, and does not rely on a static input-output analysis.[8]

Dynamic economic models are better suited than static input-output models for assessing the potential economic impacts of policies like RPS. Input-output models fail to account correctly for behavioral changes such as the effects that a price increase has on electricity demand and total output -- especially in energy-intensive industries.[9] In other words, static input-output models incorrectly assume that green jobs will be created without taking resources away from other, non-green sectors of the economy. In theory, however, the increase in electricity prices caused by the RPS should force job losses and reductions in

hiring growth in other sectors that do not receive the benefits of the mandate -- and our findings confirm that theory. Thus, unlike other studies, our analysis accounts for economic realities like higher electricity prices and non-green sector layoffs rather than assuming or wishing them away.

Before concluding, I would like to highlight a problem with the current and proposed wind turbine setback rules. The current rule restricts the wind energy industry too severely. Unfortunately, House Bill 114 proposes a flawed solution to the current restrictions that will likely do further damage to property rights in Ohio.

Wind setback rules create a classic property rights conflict. Landowners have a right to place windmills on their property, but their neighbors also have a right to enjoy their own property. Unfortunately, the current setback rule -- requiring the consent of every neighbor adjacent to the proposed windmill -- fails to answer this rudimentary property law question correctly. Neighbors should not hold an absolute veto power over what other property owners may and may not do on their own land. But the proposed solution in House Bill 114 that reduces the setback distance between the windmill and the neighbors is unsatisfactory as well because it infringes upon the neighbors' right to enjoy their property free of windmills.

The answer lies in compensation. Landowners who want windmills should be required to pay their neighbors fair compensation for the windmills' effect on the neighbors' enjoyment of their property. State law should embrace and recognize the property interests of both parties -- without subjugating one to the other -- and facilitate negotiations for fair compensation that must be paid to directly affected landowners. Preserving vetoes and shrinking setbacks are well-intended, half-measures that unfortunately threaten to exacerbate the current conflict rather than resolve it.

Thank you for your time. I would be happy to answer any questions from the Committee.

---

[1] Greg R. Lawson, research fellow, The Buckeye Institute, Testimony Before the Ohio House Public Utilities Committee, **"Utility Subsidies Hurt Competition and Hurt Ohio,"** October 3, 2017.
[2] Joe Nichols, **An Ohio Cure for the Nuclear Subsidy Contagion,** *Akron Beacon Journal*/**Ohio.com**, July 18, 2017.
[3] **2018 Fact Book: Sustainable Energy in America, Executive Summary**, Bloomberg New Energy Finance and the Business Council for Sustainable Energy, February 15, 2018.
[4] Dees Stribling, **Amazon Moving Ahead With Prime Air Hub at Cincinnati/Northern Kentucky International Airport**, Bisnow National, May 4, 2018.
[5] **EnerBlu Completes Relocation of Corporate Headquarters to Lexington, Kentucky**, EnerBlu press release, May 2, 2018.
[6] Orphe Divounguy PhD., Rea S. Hederman Jr., Joe Nichols, and Lukas Spitzwieser, ***Economic Research Center Analysis: The Impact of Renewables Portfolio Standards on the Ohio Economy***, The Buckeye Institute, March 3, 2017.
[7] REC prices likely will rise for three reasons. First, demand for RECs will grow as (1) annual compliance targets increase in states with existing RPS laws, (2) many states (e.g., New York and California) seek to increase existing or implement new RPS targets, and (3) companies (e.g., Amazon and Facebook) seek to offset more of their fossil fuel- and nuclear-generated electricity with renewables. Second, the demand for RECs will likely outpace the supply of renewable energy, causing REC prices to rise. Building new renewable generation sources greatly depends on federal tax credits and subsidies -- and the most significant of those are scheduled to sunset within the next three to seven years (i.e., 2020 for wind and 2024 for solar).

With the Trump Administration in office for at least two more years, new federal support and regulations favoring renewable generation investments appear less likely.
[8] Larry Dwyer, Peter Forsyth, and Ray Spurr, "**Assessing the Economic Impacts of Events: A Computable General Equilibrium Approach,**" *Journal of Travel Research*, Volume 45, Issue 1 (August 2006) p. 59-66.
[9] *Ibid.*

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The Buckeye Institute, 88 East Broad Street, Suite 1120, Columbus, OH 43215

Baker, Dan

From: The Buckeye Institute <info@buckeyeinstitute.org>
Sent: Tuesday, June 05, 2018 11:21 AM
To: Baker, Dan
Subject: The Buckeye Institute Urges Ohio Policymakers to Pursue Systemic Tax Reform

THE BUCKEYE INSTITUTE

Contact: Lisa Gates, Vice President of Comms

(614) 224-3255 or **Lisa@BuckeyeInstitute.org**

FOR IMMEDIATE RELEASE
June 5, 2018

The Buckeye Institute Urges Ohio Policymakers to Pursue Systemic Tax Reform

Greg Lawson Testifies Before the Ohio House Ways and Means Committee

Columbus, OH -- The Buckeye Institute's Greg R. Lawson testified today (see full text below or **download a PDF**) before the Ohio House Ways and Means Committee on House Bill 333.

In opening his testimony, Lawson noted that "nullifying tax penalties and making the tax code fairer for taxpayers is...laudable" and, quoting from a **study** by the American Enterprise Institute and the Brookings Institute, further highlighted the "significant correlation between marriage, poverty, and economic growth."

Lawson also noted that the "new marriage neutrality is only necessary because Ohio's tax code remains tragically progressive," and went on to say the policy "addresses but one symptom of a bed-ridden patient without offering any lasting cure."

The cure, Lawson said, is systemic change to Ohio's tax code that would include reforming the municipal income tax structure and would create a tax system that is pro-growth, simple, transparent, fair, and equitable, as outlined in Buckeye's ***Tax Reform Principles for Ohio***.

Lawson applauded the efforts of policymakers to eliminate Ohio's marriage penalty, but urged them to pursue "fundamental changes" that will spur economic growth and help families "climb the ladder of prosperity."

###

Interested Party Testimony Before the Ohio House

Ways and Means Committee on House Bill 333

Greg R. Lawson, Research Fellow
The Buckeye Institute
June 5, 2018

Chairman Schaffer, Ranking Member Rogers, and members of the Committee, thank you for the opportunity to testify today regarding House Bill 333.

My name is Greg R. Lawson. I am the research fellow at **The Buckeye Institute**, an independent research and educational institution -- a think tank -- whose mission is to advance free-market public policy in the states.

House Bill 333 will annul the "marriage penalty" currently wedded to Ohio's personal state income tax. Nullifying tax penalties and making the tax code fairer for taxpayers is, of course, laudable. Eliminating this particular penalty -- and thereby encouraging, rather than discouraging marriage -- is especially worthwhile considering the significant correlation between marriage, poverty, and economic growth.

Last year, for instance, the American Enterprise Institute (AEI) and Brookings Institute found that "Less than half of poor Americans age 18 to 55 (just 26 percent) and 39 percent of working-class Americans are currently married, compared to more than half (56 percent) of middle- and upper-class Americans,"[1] indicating a strong connection between the matrimonial bond and economic status.

Using "models that control for a range of factors...that might otherwise confound the family-economy link at the state level," an earlier AEI study concluded in 2015:

"Higher levels of marriage, and especially higher levels of married-parent families, are strongly associated with more economic growth, more economic mobility, less child poverty, and higher median family income at the state level in the United States. When we compare states in the top quintile of married-parent families with those in the bottom quintile, we find that being in the top quintile is associated with a $1,451 higher per capita GDP, 10.5 percent greater upward income mobility for children from lower-income families, a 13.2 percent decline in the child poverty rate, and a $3,654 higher median family income."[2]

Thus, on purely socio-economic policy grounds, policymakers should reduce if not eliminate disincentives to marry. The tax code's disincentives or the so-called "marriage penalties" arise when two people with similar incomes get married and jointly file their tax returns.[3] When the newly-weds combine their incomes and file jointly, they enter a higher bracket than if they chose to remain single and file separately.[4] This higher tax liability penalizes marriage -- effectively using the tax code to pick winners (those who do not marry) and losers (married couples filing jointly). When governments pick winners and losers, people tend to suffer.

HB 333 offers relief to a large number of Ohio families currently losing an unfair tax game because it allows married joint-filers to claim a new tax credit such that they would pay no more than if they could legally file separately. Such tax relief is good.

But HB 333's new marriage neutrality, of course, is only necessary because Ohio's tax code remains tragically progressive. Describing the similarly progressive federal tax code's "marriage penalties," Congress' Joint Committee on Taxation once explained:

"The current tax system is progressive: as a taxpayer's income rises, the tax burden increases as a percentage of income. It also taxes married couples with equal income equally: it specifies the married couple as the tax unit so that married couples with the same income pay the same tax. However, it is not marriage neutral."[5]

Although HB 333 takes a positive step forward in the fight against unfair taxation, it is important to recognize its limitations. It addresses but one symptom of a bed-ridden patient without offering any lasting cure. Even after HB 333 nullifies the state's marriage penalty, Ohio will still suffer from its growth-killing disease: progressive taxation. Indeed, after accounting for the state's municipal income tax structure -- the worst local tax system in America -- Ohio ranks in the upper half of the nation in combined state and local tax burden.[6] And removing the state's marriage penalty, unfortunately, will not do enough to change that.

More systemic changes are needed. As The Buckeye Institute explained in our *Tax Reform Principles for Ohio*,[7] the state's tax code should be pro-growth, simple, transparent, fair, and equitable.[8] Flatter taxes on broader bases, without special exemptions, will lower the tax burden and spread their cost more evenly and fairly among taxpayers. Streamlining and simplifying the local tax structure will help, too. So although we applaud the efforts to end the state's marriage penalty, more fundamental work remains to be done. Settling only for superficial remedies without pursuing more fundamental changes, without working to structurally reform the state's progressive taxation, Ohio will continue to be plagued by mediocre economic growth that has kept families from climbing the ladder of prosperity for decades.[9]

Thank you for your time and consideration. I welcome any questions the Committee might have.

---

[1] W. Bradford Wilcox and Wendy Wang, ***The Marriage Divide: How and Why Working-Class Families are More Fragile Today***, The American Enterprise Institute and Brookings Institute, September 2017.
[2] W. Bradford Wilcox, Robert I. Lerman, and Joseph Price, ***Strong Families, Prosperous States: Do Healthy Families Affect the Wealth of States?***, American Enterprise Institute, October 19, 2015.
[3] Kyle Pomerleau, ***Understanding the Marriage Penalty and Marriage Bonus***, Tax Foundation, April 23, 2015.
[4] *Ibid.*
[5] Staff for the Joint Committee on Taxation, ***Fairness and Tax Policy***, Joint Committee on Taxation, March 3, 2015.
[6] Katherine Loughead, ***State and Local Individual Income Tax Collections Per Capita***, Tax Foundation, May 31, 2018.
[7] Rea Hederman Jr., Tom Lampman, Greg R. Lawson, and Joe Nichols, ***Tax Reform Principles for Ohio***, The Buckeye Institute, February 2, 2015.

[8] *Ibid.*
[9] Rich Exner, **Ranking Ohio Governors for Jobs: John Kasich's Current Term is a Lot Like Ted Strickland's Record vs. the U.S., Cleveland.com**, May 22, 2018.

###

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Baker, Dan

From:	The Buckeye Institute <info@buckeyeinstitute.org>
Sent:	Tuesday, May 22, 2018 10:31 AM
To:	Baker, Dan
Subject:	The Buckeye Institute Calls on Policymakers to Protect the "Brilliance of America's Constitution": Federalism

THE BUCKEYE INSTITUTE

Contact: Lisa Gates, Vice President of Comms

(614) 224-3255 or **Lisa@BuckeyeInstitute.org**

FOR IMMEDIATE RELEASE
May 22, 2018

The Buckeye Institute Calls on Policymakers to Protect the "Brilliance of America's Constitution": Federalism

Daniel J. Dew Testifies Before the Ohio Senate Local Government, Public Safety, and Veterans Affairs Committee

Columbus, OH -- The Buckeye Institute's Daniel J. Dew testified today (see full text below or **download a PDF**) before the Ohio Senate Local Government, Public Safety, and Veterans Affairs Committee on Senate Concurrent Resolution 23 and the importance of constitutional federalism.

"The significance of federalism and the separation of powers between the federal and state governments can hardly be overstated," Dew said in opening his testimony where he outlined three points for members of the committee to consider: the importance of federalism, the erosion of federalism, and the future of federalism.

The importance of federalism, Dew testified, was expressed by "Justice Anthony Kennedy [who] once wrote that 'Federalism was our Nation's own discovery...It was the genius of their [the Framers] idea that our citizens would have two political capacities, one state and one federal, each protected from incursion by the other.'" Dew went on to say "Federalism is that unique system of sovereignty and power that protects the people of one state from the dictated policy preferences of another."

Recognizing that American federalism has been eroded, Dew highlighted the case of Montgomery County farmer, Roscoe Filburn, who lost his 1942 case against the federal government, which had charged Mr. Filburn with violating the federal quota limiting the amount of wheat that farmers could legally grow. In its ruling against Mr. Filburn, the Supreme Court looked to the Commerce Clause, which as Dew said, "Has not been the only lever that Congress has pulled to further shrink the sphere of the several states."

Congress and the federal government, also offer "vast sums of federal money in exchange for states doing what Congress is not otherwise authorized to do," as they did with the "once-popular but now widely-criticized Crime Bill of 1996," where they offered states money if they would increase prison sentences for those convicted under state law. And, as Dew points out, "Many states obediently rewrote their criminal statutes in order to take Uncle Sam's cash."

Dew closed his testimony by pointing out that there is hope for federalism and, "It affords opportunities for states to assert their prerogatives once again." To do that Dew says, "State attorneys general must...defend state sovereignty against federal action in court," state legislatures must close loopholes that allow greater federal government incursion, and legislatures must "actively resist the temptation to take federal dollars that Congress offers to entice Ohio to do its bidding."

###

Interested Party Testimony Before the Ohio Senate
Local Government, Public Safety, and Veterans Affairs Committee

Daniel J. Dew, Legal Fellow
The Buckeye Institute
May 22, 2018

Chair Uecker, Vice Chair Wilson, Ranking Member Thomas, and members of the Committee, thank you for the opportunity to testify today regarding Senate Concurrent Resolution 23 and the importance of constitutional federalism.

My name is Daniel J. Dew, and I am the legal fellow at The Buckeye Institute's Legal Center, an independent research and educational institution -- a think tank -- whose mission is to advance free-market public policy in the states.

The significance of federalism and the separation of powers between the federal and state governments can hardly be overstated. And although we as lawyers and members of the General Assembly are undoubtedly familiar with this founding principle of our great republic, it remains useful to remind ourselves of that principle, how and for what purpose it functions, and what role it might play in our political future. To that end, I offer the following three points for your consideration: the importance of federalism; the erosion of federalism; and the future of federalism.

The Importance of Federalism

The undisputed brilliance of America's founding and Constitution lies in federalism. Justice Anthony Kennedy once wrote that "Federalism was our Nation's own discovery. The Framers split the atom of sovereignty. It was the genius of their idea that our citizens would have two political capacities, one state and one federal, each protected from incursion by the other." Justice Kennedy reminds us that the greatest check on federal power under the Constitution was not the separation of power divided among three co-equal branches, but the division of power between the sovereign states and the sovereign United States.

To implement this balance of separated power, the Constitution established several structural safeguards to protect against political "incursions." State sovereignty was protected first by the express, but limited delegation of specific powers that the Constitution granted to the national government. Many of the Framers considered these enumerated federal powers to be the extent of national authority, but others worried that without additional explicit protections, the national government would expand beyond its delegated sphere.

In opposing the need for a bill of rights, for example, Alexander Hamilton argued in Federalist 84:

> "I go further, and affirm that bills of rights...are not only unnecessary in the proposed constitution, but would even be dangerous. They would contain various exceptions to powers which are not granted; and on this very account, would afford a colourable pretext to claim more than were granted. For why declare that things shall not be done which there is no power to do?"

To sharpen his point, Hamilton went on to ask: "Why for instance, should it be said, that the liberty of the press shall not be restrained, when no power is given by which restrictions may be imposed?"

Notwithstanding Hamilton's rhetorical question, the Bill of Rights was soon ratified, and with it a second constitutional safeguard for federalism and state sovereignty. James Madison, the architect of the constitutional structure, initially resisted a bill of rights, believing like Hamilton that such express protections were unnecessary given the few and defined federal powers. But Madison later authored the Constitution's 10th Amendment, which expressly reserves to the people and the several states any powers not delegated to the federal government.

One final structural safeguard for state authority was the Constitution's initial requirement that U.S. Senators be elected by state legislatures. This provision -- later nullified in 1913 by the Seventeenth Amendment -- gave states a more direct representation in the national Congress, essentially giving states a veto power over any legislation that infringed on state prerogatives or sovereignty.

The animating principle behind each of these safeguards, of course, was the Framers' understanding that local governments are best suited to govern *local* matters, and that you, as Ohio's legislature, would know better than Congress or the President how to solve the problems and concerns of Ohio and your constituents. Federalist 17 went so far as to call any attempt by the national government to involve itself in local matters "troublesome."

We see the wisdom of this concern manifest in our own political climate today. We see fundamental differences of opinion from state to state on the proper role, scope, and interests of government -- whether state or federal. Californians, for example, do not want Oklahomans or Alabamans dictating policy for California -- and the feeling is almost certainly mutual -- just as we would never want that "state up north" dictating policy for the great state of Ohio.

Federalism is that unique system of sovereignty and power that protects the people of one state from the dictated policy preferences of another. It allows those governments closest to the people to determine the policies that impact daily life -- at least that's how it was designed.

The Erosion of Federalism

The structural safeguards protecting state and federal power against what Justice Kennedy called the "incursions of the other," have unfortunately eroded. The 17th Amendment in 1913 that called for the direct, popular election of U.S. Senators dealt a significant blow to the original constitutional bulwark. After 1913, the several states no longer had direct representation in Congress, as their Senators were no longer elected by their legislatures. The Amendment's effect was tempered for several years, despite the agenda of the early Progressive movement to expand federal authority, because the Supreme Court took a relatively narrow view of national powers in those days. That view, however, would evolve.

In the late 1930s and early 40s, under tremendous pressure from President Roosevelt, the Supreme Court began taking a broader perspective of the scope of federal power. In so doing, the Court radically redrew the lines between "local" and "national" interests, and shifted the delicate balance of power and sovereignty in Washington's favor.

Perhaps the Court's most infamous decision on federalism, *Wickard v. Filburn*, started just outside Dayton, Ohio. At issue was the federal quota limiting the amount of wheat that farmers could legally grow. Montgomery County farmer, Roscoe Filburn, grew his quota, but also grew some extra wheat for his family's own consumption. Federal authorities charged Mr. Filburn with violating the federal quota, and Filburn challenged Congress's authority to regulate the size of his personal crop -- he had no intention, after all, to sell his personal family portion across state lines. Thus, argued the farmer, he was not engaged in interstate commerce and therefore was beyond federal reach. In its 1942 decision, the Supreme Court disagreed.

The *Wickard* Court held that Mr. Filburn's personal wheat consumption could be aggregated with other farmers who might also plant their own wheat, and that, when aggregated, these personal portions could impact the national wheat market. Such a potential impact, said the Court, brought Mr. Filburn's private wheat stock within Congress's authority under Article I, Section 8 to "regulate commerce with foreign nations, and among the several states."

Since then, the country's balance of sovereignty has never been the same, as virtually any facet of local, daily life -- once aggregated -- could be construed to have a national impact. In fact, it would be more than 50 years after Mr. Filburn's case before the Supreme Court would find a federal law exceeding the outer limits of Congress's authority to regulate interstate commerce.

The effect of such a shift in the balance of power was summarized more recently by Justice Clarence Thomas, who wrote:

> "There is a danger to concentrating too much, as well as too little, power in the Federal Government. This Court has carefully avoided stripping Congress of its ability to regulate *inter*state commerce, but it has casually allowed the Federal Government to strip States of their ability to regulate *intra*state commerce -- not to mention a host of local activities..."

Unfortunately, the Constitution's Interstate Commerce Clause has not been the only lever that Congress has pulled to further shrink the sphere of the several states. When the ever-elastic powers of the Commerce Clause are not enough to impose Washington's will, Congress often resorts to Don Corleone's famously effective approach in *The Godfather* -- and makes the states an offer they can't refuse.

That offer typically involves Congress sending states vast sums of federal money in exchange for states doing what Congress is not otherwise authorized to do. For example, Congress's once-popular but now widely-criticized Crime Bill of 1996 offered money to states if they would increase prison sentences for those convicted under state law. Here, Congress inserted itself into local criminal justice matters that had been traditionally -- and for good reason -- left entirely to the state and local authorities. The money, however, was too much to resist and many states obediently rewrote their criminal statutes in order to take Uncle Sam's cash. Like the Commerce Clause, the Supreme Court has found precious little beyond Congress's so-called Spending Power-a coercive power that Chief Justice Roberts once called "a gun to the head."

Collectively, or "in the aggregate," constitutional amendments and the Supreme Court's reinterpretation of constitutional authority have eroded the safeguards of federalism over the years. The structural lines that protected each political sovereign from the "incursions of the other" have been undeniably blurred. But there is hope.

The Future of Federalism

Few would argue that federalism today remains the robust stalwart against federal encroachment that James Madison and Alexander Hamilton had envisioned. The ebbs and flows of history and jurisprudence have taken their toll. But the constitutional structure that originally "split the atom of sovereignty" still remains, and it affords opportunities for states to assert their prerogatives once again. To do that, state attorneys general must continue to vigorously defend state sovereignty against federal action in court. Regrettably, such resistance will likely need to become the norm and not the exception if Ohio and her sister states are to restore the rightful balance of constitutional power.

And you, serving as the legislature, will also need to join the fight. In the last session, the General Assembly stood up for Ohio by limiting federal efforts to circumvent protections that you extended your constituents through civil asset forfeiture reform. You wisely closed a loophole in the federal Equitable Sharing program that had allowed law enforcement to evade state restrictions on civil forfeiture and take property from those who had never even been charged with a crime.

But more than just closing loopholes, you can actively resist the temptation to take federal dollars that Congress offers to entice Ohio to do its bidding. As we all know, those dollars inevitably dry-up and all that's left are growing piles of red-tape and state debt. By resisting the siren song of Congress, Ohio can once again begin to safeguard her own sovereign, political interests. As Chief Justice Roberts quipped a few years ago, "The States are separate and independent sovereigns. Sometimes they have to act like it."

Thank you for the opportunity to address this important subject today. I would be happy to answer any questions you might have.

###

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Baker, Dan

From:	The Buckeye Institute <info@buckeyeinstitute.org>
Sent:	Thursday, May 17, 2018 5:25 PM
To:	Baker, Dan
Subject:	The Buckeye Institute Reacts to HHS Determination that Ohio's 1332 Medicaid Waiver Application is Incomplete

THE BUCKEYE INSTITUTE

Contact: Lisa Gates, Vice President of Comms

(614) 224-3255 or **Lisa@BuckeyeInstitute.org**

FOR IMMEDIATE RELEASE
May 17, 2018

The Buckeye Institute Reacts to HHS Determination that Ohio's 1332 Medicaid Waiver Application is Incomplete

Columbus, OH -- The Buckeye Institute issued the following statement on the Centers for Medicare and Medicaid Services' determination that Ohio's 1332 Medicaid waiver application was incomplete.

"It is disappointing that the federal government would **deem Ohio's 1332 Medicaid waiver application incomplete**. The Ohio application does not impact health coverage according to actuarial evidence. While Health and Human Services (HHS) told states it would work with them to use innovation waivers to ease the burden of the Affordable Care Act, in practice HHS has been inflexible. It's refusal to rescind Obama-era guidance regarding 1332's reinforces that message of inflexibility."

###

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The Buckeye Institute, 88 East Broad Street, Suite 1120, Columbus, OH 43215

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Sent by info@buckeyeinstitute.org

Baker, Dan

From: The Buckeye Institute <info@buckeyeinstitute.org>
Sent: Thursday, May 17, 2018 10:46 AM
To: Baker, Dan
Subject: The Buckeye Institute: Changes to Renewable Energy Mandate Risk Ohio's Economy

THE BUCKEYE INSTITUTE

Contact: Lisa Gates, Vice President of Comms

(614) 224-3255 or **Lisa@BuckeyeInstitute.org**

FOR IMMEDIATE RELEASE
May 17, 2018

The Buckeye Institute: Changes to Renewable Energy Mandate Risk Ohio's Economy

Columbus, OH -- The Buckeye Institute issued the following statement on the changes made to the policies in House Bill 114.

"For years Ohio consumers have been able to voluntarily pay to receive their energy from renewable sources and they should be allowed to continue to choose whatever energy source best meets their needs. They do not need the government forcing them to pay higher energy bills to pay for a forced mandate.

"With House Bill 114, the Ohio House of Representatives had wisely shifted Ohio away from government imposed renewable energy mandates. Unfortunately, the Senate has reinstated them. Although the Senate proposal reduces the forced mandates, the fact that they remain unduly **risks Ohio's economic growth** by continuing to allow a special interest subsidy at a time when we should be eliminating all subsidies."

# # #

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Baker, Dan

From:	The Buckeye Institute <info@buckeyeinstitute.org>
Sent:	Wednesday, May 02, 2018 7:02 AM
To:	Baker, Dan
Subject:	New Buckeye Institute Research Finds Bail Reform Could Save Ohio Communities $67 Million

THE BUCKEYE INSTITUTE

Contact: Lisa Gates, Vice President of Comms

(614) 224-3255 or **Lisa@BuckeyeInstitute.org**

FOR IMMEDIATE RELEASE
May 2, 2018

New Buckeye Institute Research Finds Bail Reform Could Save Ohio Communities $67 Million

Columbus, OH -- New research by **The Buckeye Institute** found that Ohio's proposed reforms to its broken cash bail system could save an estimated $67 million in jail costs, while providing a fairer, more efficient way to keep Ohio's communities safe and secure.

"Ohio's cash bail system is broken and the reforms pending in the General Assembly could save hard-earned taxpayer dollars while keeping our communities safe," said Daniel J. Dew, a legal fellow with Buckeye's **Legal Center** and the author of ***"Money Bail": Making Ohio a More Dangerous Place to Live***. "Even setting aside important issues of justice, fairness, and public safety that have all been compromised by the current money bail system, the needless amount of money spent jailing people accused of low-level crimes alone is enough to justify Ohio's proposed bail reform initiative."

In this new research, ***The Ohio Model for Bail Reform: Retaining Local Flexibility and Saving Money***, Dew, and analysts with Buckeye's **Economic Research Center**, looked at Summit County, which uses a verified risk-assessment tool to inform pretrial detention decisions. They found that Ohio could see an annual cost savings of $67,136,121 if it reforms its cash bail system and gives judges greater flexibility to use proven, evidence-based, risk-assessment tools to assess the risk an individual poses to the community rather than relying on cash bail.

In Ohio, jail is far more expensive than supervised release, with the average **jail bed costing almost $65 per day**, compared to **$5 per day for supervised release**. Summit County, which has already implemented a verified risk-assessment tool, has **estimated that it saved $7.3 million in one year** by adopting a pretrial risk-assessment tool and relying less on the money-bail system.

"Even accounting for its relatively large pretrial population and high daily-jail-bed cost, Summit County's early results suggest that pretrial reforms could provide substantial cost-savings across the rest of the state," Dew wrote in *The Ohio Model for Bail Reform.* "The proposed reforms give local jurisdictions more flexibility to implement changes and find cost savings than any other statewide bail reform initiative in the country."

###

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Baker, Dan

From: The Buckeye Institute <info@buckeyeinstitute.org>
Sent: Friday, March 23, 2018 10:23 AM
To: Baker, Dan
Subject: The Buckeye Institute: Ohio's Unemployment Rate and Job Growth Moving in the Right Direction

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FOR IMMEDIATE RELEASE
March 23, 2018

The Buckeye Institute: Ohio's Unemployment Rate and Job Growth Moving in the Right Direction

Columbus, OH -- Andrew J. Kidd, Ph.D., an economist at The Buckeye Institute's **Economic Research Center** (ERC) commented on newly released employment data from the **Ohio Department of Job and Family Services**.

"Ohio's unemployment rate continued its downward trend from 4.7 percent in January to 4.5 percent in February, showing positive trends in the state's labor market. The report also revealed a relatively unchanged labor force participation rate, which implies that those who were searching for jobs found them. This is good news for job seekers.

"However, Ohio still sits above the national unemployment rate of 4.1 percent, and with a lower labor force participation rate than the national average. This shows that Ohio still needs further reforms to create and sustain job growth, and one area ripe for **reform is occupational licensing.**

"Ohio experienced another great job creation month with a 19,600 increase in non-farm private employment in February 2018, more than double the growth from January 2018. This marks consistent gains over the past two months, indicating Ohio's labor market is

continuing to expand. Nearly every sector experienced job growth, with substantial increases in manufacturing (2,900) and health care and social assistance (3,700). Employment in the health care industry will be important to responding to the health needs of an aging population in Ohio. Although there was a decrease in employment in arts, entertainment, and recreation, special interest tax credits for the entertainment industry are **not a cost-effective policy solution** to increasing growth in this industry.

"Ohio is continuing to see positive job growth path, yet an unchanged labor force participation rate is concerning as it shows some individuals are discouraged from job searching. Occupational licensing reform can reduce those disincentives, and, combined with eliminating special interest tax credits, will help Ohio to reach its goal of being a national leader in job creation."

###

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Baker, Dan

From:	The Buckeye Institute <info@buckeyeinstitute.org>
Sent:	Tuesday, March 20, 2018 4:11 PM
To:	Baker, Dan
Subject:	The Buckeye Institute: Capital Budget Should be Reduced to Off-Set Costs of Voting Machines

Apologies, you will have received a press release for testimony Greg R. Lawson will be giving tomorrow on Senate Bill 255. You should have received the below release on Lawson's testimony on Senate Bill 135. I am sorry for the mistake and the inconvenience.

Lisa Gates

THE BUCKEYE INSTITUTE

Contact: Lisa Gates, Vice President of Comms

(614) 224-3255 or **Lisa@BuckeyeInstitute.org**

FOR IMMEDIATE RELEASE
March 20, 2018

The Buckeye Institute: Capital Budget Should be Reduced to Off-Set Costs of Voting Machines

Greg Lawson Testifies Before Ohio Senate Finance Committee on Senate Bill 135

Columbus, OH -- The Buckeye Institute's Greg R. Lawson testified today (see full text below or **download a PDF**) before the Ohio Senate Finance Committee on Senate Bill 135.

Lawson opened his testimony telling the committee that The Buckeye Institute supported funding to replace Ohio's aging voting machines, calling it "a wise use of state dollars that serves a core government function." He went on to say, "As we explained in our recent report, ***Principled Spending: Using Ohio's Capital Budget to Benefit Ohioans***, funding Ohio's democratic infrastructure ultimately helps to maintain the integrity of our state."

While Buckeye supports state funding to replace Ohio's aging voting machines, Lawson noted "the capital budget -- and not a separate funding bill -- is the more appropriate

legislative vehicle for funding state infrastructure and core government responsibilities." With the decision by policymakers to use a separate funding mechanism, Lawson urged policymakers to off-set the capital budget by the corresponding amount "in order to maintain longer-term spending balance."

###

Interested Party Testimony on Senate Bill 135
Before the Ohio Senate Finance Committee

Greg R. Lawson, Research Fellow
The Buckeye Institute
March 20, 2018

Chairman Oelslager, Vice Chair Manning, Ranking Member Skindell, and members of the Committee, thank you for the opportunity to testify today about an issue critical to all Ohioans -- strengthening our democratic infrastructure.

My name is Greg R. Lawson. I am the research fellow at **The Buckeye Institute**, an independent research and educational institution -- a think tank -- whose mission is to advance free-market public policy in the states.

Senate Bill 135 includes funding to replace Ohio's aging voting machines -- a wise use of state dollars that serves a core government function. Democratic elections represent the key mechanism by which citizens choose their leaders and hold them accountable. Thus, they undergird the very foundation of our democracy. To maintain the integrity of the election process is to maintain the integrity of our democratic infrastructure. And as we explained in our recent report, *Principled Spending: Using Ohio's Capital Budget to Benefit Ohioans*, funding Ohio's democratic infrastructure ultimately helps to maintain the integrity of our state.[1]

President Ronald Reagan once said, "Every American must know he or she can count on an equal chance and an equal vote."[2] Counting on that equal chance requires counting every vote -- with voting machines. In today's democratic process, voting machines are a key piece of infrastructure on which our elections depend. Unfortunately, many of Ohio's county boards of elections still rely on voting machines purchased more than a decade ago with funds from the federal Help America Vote Act.[3] These machines are in desperate need of replacement.

The Buckeye Institute supports using state funds for new voting machines, but as I mentioned to this Committee last week, the capital budget -- and not a separate funding bill -- is the more appropriate legislative vehicle for funding state infrastructure and core government responsibilities. Funding for voting machines should have been included in the capital budget, and to the extent that a separate mechanism, such as S.B. 135, is used instead, then the capital budget should be off-set by the corresponding amount in order to maintain longer-term spending balance.

Finding cost off-sets in the capital budget to pay for upgrading voting machines is not difficult. Many of the line items listed in our Top 10 Worst Capital Budget Requests of 2018[4] could be cut or eliminated to pay for replacing our outdated voting machines, including $4 million for a Cincinnati soccer stadium, $5 million for retail and restaurant space at COSI in Columbus, and $400,000 on ill-advised, government-owned broadband networks throughout the state. Reducing state funding for locally-focused projects would make it easier to afford new election machines and other infrastructure needs such as sewers and wastewater treatment facilities.

Thank you for your time and consideration. I look forward to answering any questions that the Committee may have.

---

[1] Greg R. Lawson and Quinn Beeson, ***Principled Spending: Using Ohio's Capital Budget to Benefit Ohioans***, The Buckeye Institute, February 5, 2018.
[2] President Ronald Reagan, **Statement About the Extension of the Voting Rights Act**, November 6, 1981.
[3] **Husted Calls for Replacement of Ohio's Aging Voting Equipment**, Ohio Secretary of State Office press release, December 14, 2017.
[4] **More Than $18 Million Spent on The Buckeye Institute's Top 10 List of Worst Capital Budget Requests**, The Buckeye Institute press release, March 5, 2018.

###

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Baker, Dan

From: The Buckeye Institute <info@buckeyeinstitute.org>
Sent: Tuesday, March 20, 2018 3:48 PM
To: Baker, Dan
Subject: The Buckeye Institute: Occupational Licensing is a Red-Taped Obstacle for Workers

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THE BUCKEYE INSTITUTE

Contact: Lisa Gates, Vice President of Comms

(614) 224-3255 or **Lisa@BuckeyeInstitute.org**

FOR IMMEDIATE RELEASE
March 21, 2018

The Buckeye Institute: Occupational Licensing is a Red-Taped Obstacle for Workers

Greg Lawson Testifies Before the Ohio Senate Government Oversight and Reform Committee on Senate Bill 255

Columbus, OH -- The Buckeye Institute's Greg R. Lawson testified today (see full text below or **download a PDF**) before the Ohio Senate Government Oversight and Reform Committee on Senate Bill 255.

In opening his testimony, Lawson said of Ohio's occupational licensing requirements, "No one denies that state licensing requirements are needed in some cases and industries to ensure public safety...But these concerns fade quickly when applied to auctioneers, travel guides, and hairdressers -- all of whom are subject to Ohio's byzantine licensing requirements."

Lawson also pointed to the state's burdensome occupational licensing as a factor slowing Ohio's economic recovery and impacting Ohio's minority communities, "State permission slip policies that make it harder and more expensive to find work only exacerbate the problem." Going on later to note that that while the state's labor force participation has improved in recent years it remains below the national average and "Occupational licensing hurdles only make Ohio's full recovery more difficult."

The research in support of reducing occupational licensing spans the political spectrum with Lawson highlighting research by the **Heritage Foundation**, **National Bureau of Economic Research**, the **Brookings Institute's Hamilton Project**, and **Democratic** and **Republican** administrations. He also highlighted Buckeye's own research, ***Forbidden to Succeed: How Licensure Laws Hold Ohioans Back*** and ***Still Forbidden to Succeed: The Negative Effects of Occupational Licensing on Ohio's Workforce***.

In closing, Lawson urged policymakers to reform Ohio's occupational licensing regulations saying, "Senate Bill 255 begins the overdue effort of reforming the state's occupational licensing regime and ending a misguided permission slip policy that has stood in the way of growth and prosperity for far too long.

# # #

Interested Party Testimony on Senate Bill 255
Before the Ohio Senate Government Oversight and Reform Committee

Greg R. Lawson, Research Fellow
The Buckeye Institute
March 21, 2018

Chairman Coley, Vice Chair Uecker, Ranking Member Schiavoni, and members of the Committee, thank you for the opportunity to testify today regarding Senate Bill 255 and Ohio's need for occupational licensing reform.

My name is Greg R. Lawson. I am the research fellow at **The Buckeye Institute**, an independent research and educational institution -- a think tank -- whose mission is to advance free-market public policy in the states.

Ohioans should not have to ask the state for permission to earn a living. Yet, all too often, Ohio creates permission slip policies that make it harder -- and sometimes impossible -- for Ohioans or would-be Ohioans to pursue their careers and put food on the table for their families. Such policies must end.

No one denies that state licensing requirements are needed in some cases and industries to ensure public safety. Requiring appropriate education and training for physicians, healthcare providers, pilots, and truck drivers, for example, helps safeguard the general public in our hospitals and on our roads and runways. But these concerns fade quickly when applied to auctioneers, travel guides, and hairdressers -- all of whom are subject to Ohio's byzantine licensing requirements.

Consider Jennifer McClellan. A new mother, a long-time professional, and a licensed massage therapist, Jennifer tried moving back to Ohio to be closer to her family, but the Ohio State Medical Board denied her license application because she was 10 days shy of the state's training requirements.[1] The board unduly discounted Jennifer's years of training and work experience, and would not honor the license she had already earned in Minnesota. Jennifer is not alone.

Tragically, such cases plague Ohio's minority communities -- communities already facing daunting employment prospects. Nationally, the unemployment rate among African Americans remains much higher than among other demographics. According to the Bureau of Labor Statistics, the most recent unemployment rate among African Americans was 6.9 percent -- nearly double the 3.7 percent rate for whites.[2] Unemployment confronts 27.2 percent of young African Americans between 16 and 19, compared to the 12.6 percent of young whites.[3] State permission slip policies that make it harder and more expensive to find work only exacerbate the problem, adding insult to injury in our job-deprived minority communities.

Recent scholarship across the political spectrum has highlighted the challenges presented by occupational licensing schemes and has made clear that the burdens created by such bureaucratic requirements must be lifted.

For starters, according to the Heritage Foundation, occupational licensing requirements cost the average U.S. household a staggering $1,033 per year.[4] Even more troubling, however, are the adverse effects that licensing has on interstate mobility and the labor market itself. A new study by professors Janna Johnson and Morris Kleiner of the Humphrey School of Public Affairs, for example, found that the migration rate of workers in occupations with state-specific licensing exam requirements was 36 percent lower than rates for other occupations.[5] By contrast, occupations with national examinations showed no evidence of such a limitation on interstate mobility.[6] Put simply, state-specific licensure makes migration more difficult by closing occupational doors for people who want to move.

In testimony before the U.S. Senate Judiciary Committee, Professor Kleiner has stated that he and Alan Krueger, the former head of President Obama's Council of Economic Advisors, had calculated that licensing laws cost between a half and one percent of jobs nationally in 2010.[7] Those seemingly small percentages amount to tens of thousands of jobs across America that never came into existence -- a claim bolstered by research out of the Brookings Institute's Hamilton Project revealing that stringent licensing requirements result in fewer providers of the services subject to the requirements.[8] Fewer providers means fewer employers and fewer available jobs.

Perhaps unsurprisingly, given Mr. Krueger and Professor Kleiner's findings, *t*he Obama Administration released a detailed report in 2015 calling for nationwide reforms to occupational licensing.[9] Echoing bipartisan support for such measures, the Trump Administration's Secretary of Labor has since said, "Americans want principled, broad-based reform. If licenses are unnecessary, eliminate them. If they are needed, streamline them. And, if they are honored by one state, consider honoring them in your own state. Americans looking to enter the workforce deserve no less than our most ardent efforts to remove regulatory barriers so that they can have a job."[10]

Focusing less on national trends and more on Ohio's own licensing concerns, The Buckeye Institute's report, *Forbidden to Succeed: How Licensure Laws Hold Ohioans Back*, showed not only that Ohio's licensing burdens are well above the national average, but also that

nearly every Ohio license that requires training can be earned in less time in another state.[11]

Our subsequent study, *Still Forbidden to Succeed: The Negative Effects of Occupational Licensing on Ohio's Workforce,* confirmed the disturbing and stubborn fact that Ohio's licensing requirements erect higher barriers to employment for those most in need of quality jobs: middle-aged and low-income workers, and those without a college degree.[12]

Senate Bill 255 takes several steps toward fixing Ohio's occupational licensure problem. First, for the first time in state history, policymakers would be required to use the least restrictive regulation when displacing competition, and the bill identifies various licensing alternatives -- listed from least restrictive to most restrictive -- that the state could pursue if confronting a verifiable public safety risk. Second, Senate Bill 255 establishes a process for legislative panels to use when weeding through Ohio's overgrown thicket of licensing boards. Under this process, boards that the General Assembly does not proactively reauthorize would simply dissolve. Taken together, these provisions give lawmakers a much-needed tool for uprooting bureaucratic thistles that deprive Ohioans of the potential fruits of their labor.

In addition to its sunset provisions, Senate Bill 255 also creates a sunrise review process to be used whenever a new licensing bill is introduced. This provision will require the Legislative Service Commission (LSC) to assess the potential consequences of any new licensing legislation with respect to employment opportunities, consumer choices and costs, market competition, and costs to the government. Additionally, under S.B. 255, the LSC must assess 20 percent of the occupations regulated by the state each calendar year beginning in 2018, assess all occupations at least once before 2022, and continue such assessments on a five-year rolling basis after 2022.

These are all positive strides for a state still struggling to create new jobs. Ohio still has not rebounded fully from the tech bubble burst and remains down by almost 93,000 private-sector jobs from its peak in March 2000 -- now 18 years ago.[13] The state's labor force participation has improved in recent years, but remains slightly below the national average. Occupational licensing hurdles only make Ohio's full recovery more difficult.

Every licensing requirement raises a new red-taped obstacle for workers to clear before earning a living or starting a new career. Every hour of unpaid training needed to satisfy bureaucratic requirements is an hour not spent earning tips, impressing a boss, serving a customer, or opening a business. Those are hours of lost productivity, hours of opportunity that young, low-income workers sorely need, but that the state continues to take for itself.

Senate Bill 255 begins the overdue effort of reforming the state's occupational licensing regime and ending a misguided permission slip policy that has stood in the way of growth and prosperity for far too long.

Thank you for your time and consideration. I welcome any questions that the Committee might have.

[1] Greg R. Lawson, **Goodbye, Ohio. A Talented Massage Therapist Forced to Leave State Because of Crazy Licensing Rules**, The Buckeye Institute, February 29, 2016.
[2] Bureau of Labor Statistics, **Table A-2. Employment Status of Civilian Population by Race, Sex, and Age**, U.S. Department of Labor (Last visited March 16, 2018)
[3] *Ibid.*
[4] Salim Furth, ***Costly Mistakes: How Bad Policies Raise the Cost of Living***, The Heritage Foundation, November 23, 2015.
[5] Janna E. Johnson and Morris M. Kleiner, ***Is Occupational Licensing a Barrier to Interstate Migration?***, National Bureau of Economic Research, December 2017.
[6] *Ibid.*
[7] Morris M. Kleiner, **License to Compete: Occupational Licensing and the State Action Doctrine**, Testimony before the U.S. Senate Committee on the Judiciary, Subcommittee on Antitrust, Competition Policy, and Consumer Rights, February 2, 2016.
[8] Morris M. Kleiner, ***Reforming Occupational Licensing Policies***, The Hamilton Project, March 2015.
[9] The White House, ***Occupational Licensing: A Framework for Policymakers***, July 2015.
[10] Secretary of Labor Alexander Acosta, **Speech before the 44th Annual Meeting of the American Legislative Exchange Council**, U.S. Department of Labor, July 21, 2017.
[11] Tom Lampman, ***Forbidden to Succeed: How Licensure Laws Hold Ohioans Back***, The Buckeye Institute, November 18, 2015.
[12] Orphe Pierre Divounguys, PhD, Bryce Hill, and Greg R. Lawson, ***Still Forbidden to Succeed: The Negative Effects of Occupational Licensing on Ohio's Workforce***, The Buckeye Institute, December 18, 2017.
[13] Bureau of Labor Statistics, **Ohio Economy at a Glance**, U.S. Department of Labor (Last visited March 16, 2018).

###

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Baker, Dan

From:	The Buckeye Institute <info@buckeyeinstitute.org>
Sent:	Friday, March 09, 2018 1:20 PM
To:	Baker, Dan
Subject:	The Buckeye Institute: Ohio's Employment Rate Springs Ahead, While Unemployment Still Above National Average

THE BUCKEYE INSTITUTE

Contact: Lisa Gates, Vice President of Comms

(614) 224-3255 or **Lisa@BuckeyeInstitute.org**

FOR IMMEDIATE RELEASE
March 9, 2018

The Buckeye Institute: Ohio's Employment Rate Springs Ahead, While Unemployment Still Above National Average

Columbus, OH -- Andrew J. Kidd, Ph.D., an economist at the **Economic Research Center** (ERC) at **The Buckeye Institute**; and Rea S. Hederman Jr., executive director of the ERC and vice president of policy at Buckeye, commented on newly released employment data from the **Ohio Department of Job and Family Services**.

"Ohio's unemployment rate declined from 4.9 percent in December to 4.7 percent in January, continuing a positive economic path for Ohio's labor market. However, Ohio's unemployment rate still remains well above the national average of 4.1 percent, indicating there are still obstacles that policymakers need to address to make Ohio a national leader.

"Also concerning is that Ohio's unemployment rate declined due partially to fewer Ohioans being in the job market as labor force participation dipped below the national average. This signifies some job seekers may have become discouraged and stopped searching for employment.

"Ohio experienced an 8,900 increase in non-farm private employment in January 2018, nearly five times the growth from December 2017 and accounting for more than a third of

the number of new jobs since January 2017. Although this is only one month with such large gains, this is an indication that Ohio's labor market is strengthening and expanding.

"Much of this job growth was in construction, which saw an increase of 2,600 jobs. This bodes well for the industry, which had seen declines in the latter part of 2017, and could be indicative of further development and economic growth. Mining and logging also continued to rebound after years of struggle, growing by 5.5 percent in 2017.

"Overall, Ohio's labor market continues to trend in the right direction but discouraged workers and decreases in lower-skilled jobs such as manufacturing (-1,400), and leisure and hospitality (-1,700), show there needs to be fewer barriers that prevent people who are seeking to improve their skills through training and licensing from attaining the jobs they desire."

# # #

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Baker, Dan

From:	The Buckeye Institute <info@buckeyeinstitute.org>
Sent:	Tuesday, March 06, 2018 10:52 AM
To:	Baker, Dan
Subject:	The Buckeye Institute: Ohio's 2018 Capital Budget Riddled with Too Many Special Interest Requests

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THE BUCKEYE INSTITUTE

Contact: Lisa Gates, Vice President of Comms

(614) 224-3255 or **Lisa@BuckeyeInstitute.org**

FOR IMMEDIATE RELEASE
March 6, 2018

The Buckeye Institute: Ohio's 2018 Capital Budget Riddled with Too Many Special Interest Requests

Greg Lawson Testifies Before Ohio Finance Committee on House Bill 529

Columbus, OH -- The Buckeye Institute's Greg R. Lawson testified today (see full text below or **download a PDF**) before the Ohio House Finance Committee on House Bill 529, Ohio's 2018 capital budget.

In opening his testimony, Lawson recognized that in many ways Ohio's capital budget adheres to Buckeye's spending principles, which were outlined in ***Principled Spending: Using Ohio's Capital Budget to Benefit Ohioans***. The report "encouraged policymakers to be guided by three spending principles: constrain the growth of government, eliminate corporate and special interest welfare, and focus on strengthening Ohio's physical and democratic infrastructures."

Although policymakers have allocated money to strengthen Ohio's democratic infrastructure in separate legislation, Lawson noted "the capital budget was not then reduced to maintain spending balance-and it should have been."

Of the capital budget overall, Lawson expressed concern "that this budget, like others before, remains riddled with too many special interest requests, local projects, and some potential boondoggles that veer from providing core government services and infrastructure."

In highlighting the special interest projects, Lawson drew special attention to the 10 that made Buckeye's **Top 10 Worst Capital Budget Requests of 2018**, saying, "We highlight more than $18 million of taxpayer dollars spent on pork projects that benefit only narrow local interests and not broader statewide needs. And that $18 million is just the tip of the proverbial iceberg. All of the special interest projects combined pushes that total to at least $85 million. That is at least $85 million of pork that could be spent on more pressing priorities, saved, or returned to taxpayers."

Lawson went on to say, "Ultimately, of course, local residents and local taxpayers should have every opportunity to voluntarily choose to fund amphitheaters, performance stages, parks, zoos, and even stadiums out of their own local resources. But Cleveland residents should not be compelled-through state taxes-to pay for the Columbus Zoo, nor should Youngstown residents be made to pay for a soccer venue in Cincinnati."

###

Interested Party Testimony on House Bill 529
Before the Ohio House Finance Committee

Greg R. Lawson, Research Fellow
The Buckeye Institute
March 6, 2018

Chairman Smith, Vice Chair Ryan, Ranking Member Cera, and members of the Committee, thank you for the opportunity to testify today regarding the Capital Budget.

My name is Greg R. Lawson. I am the research fellow at **The Buckeye Institute**, a free-market think tank here in Columbus that advocates for low-tax, low-regulation policies that remove barriers to prosperity for Ohioans.

On February 5, The Buckeye Institute released its report, *Principled Spending: Using Ohio's Capital Budget to Benefit Ohioans*, which outlined ways to keep Ohio's capital budget focused on principled government spending.[1] Our report encouraged policymakers to be guided by three spending principles: constrain the growth of government, eliminate corporate and special interest welfare, and focus on strengthening Ohio's physical and democratic infrastructures.

In many ways, Ohio's $2.62 billion budget adheres to these basic principles, but we are concerned that this budget, like others before, remains riddled with too many special interest requests, local projects, and some potential boondoggles that veer from providing core government services and infrastructure.

The Buckeye Institute has just released its Top 10 Worst Capital Budget Requests of 2018,[2] in which we highlight more than $18 million of taxpayer dollars spent on pork projects that benefit only narrow local interests and not broader state-wide needs. And that $18 million is just the tip of the proverbial iceberg. All of the special interest projects combined pushes that total to at least $85 million. That is at least $85 million of pork that could be spent on more pressing priorities, saved, or returned to taxpayers.

Regrettably, examples of non-essential government spending abound. The $5 million to build retail and restaurant space at COSI in Columbus-not essential government spending. The $1 million for orangutan and elephant exhibits at the Columbus Zoo-already subsidized by Franklin County property owners-not essential government spending. The $800,000 to install splash pads around the state-not essential government spending. And the $4 million slated for a soccer stadium in Cincinnati-not essential government spending and not likely to live up to the economic hype. As the St. Louis Federal Reserve concluded last year:

> Consumers who spend money on sporting events would likely spend the money on other forms of entertainment, which has a similar economic impact. Rather than subsidizing sports stadiums, governments could finance other projects such as infrastructure or education that have the potential to increase productivity and promote economic growth.[3]

Ultimately, of course, local residents and local taxpayers should have every opportunity to voluntarily choose to fund amphitheaters, performance stages, parks, zoos, and even stadiums out of their own local resources. But Cleveland residents should not be compelled-through state taxes-to pay for the Columbus Zoo, nor should Youngstown residents be made to pay for a soccer venue in Cincinnati.

Then there is the $400,000 appropriation to build several government-owned broadband networks across the state. As I outlined recently in *Broadband "GON" Wrong*,[4] private-sector players have already deployed billions of dollars developing state-of-the-art technology to nimbly respond to consumer demands and preferences, while these government-owned networks have proven unable to pay for themselves, leaving taxpayers to pay for networks that few consumers even want to use.

That communities are asking for state money in the capital budget indicates that these networks all too frequently fail to live up to the promises made by government officials, and often lead to further taxpayer subsidies to maintain operations.

Many of the other local projects are not inherently misguided, but insofar as they provide only narrow local benefits and do not strengthen Ohio's physical infrastructure, state policymakers should remove them from the capital budget. Those funds should instead be spent on Ohio's pressing needs, such as building and maintaining water and sewer systems, and state roads.

We are also disappointed that this capital budget will not strengthen the state's democratic infrastructure, including, for example, replacing Ohio's aging voting machines. Such

funding appears allocated in separate legislation, but the capital budget was not then reduced to maintain spending balance-and it should have been.

Finally, and perhaps most critically, policymakers must remember that a lack of fiscal restraint, even during good economic times, unwittingly creates unrealistic spending expectations over time. Using the capital budget to fund local projects rather than state priorities will only make it harder for policymakers to curb and manage state spending when tough economic times inevitably arrive.

Today, even as the state budget looks solidly in the black, the danger of recession and fiscal instability still lurks. Recall, for instance, how unforeseen challenges required immediate and multiple adjustments to the last biennial budget due to lower than expected revenues. Prudence cautions against the tempting but non-essential government spending included in this capital budget. For the sake of Ohio taxpayers, such temptation must be resisted.

Thank you and I look forward to answering any questions that the Committee may have at this time.

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[1] Greg R. Lawson and Quinn Beeson, ***Principled Spending: Using Ohio's Capital Budget to Benefit Ohioans***, The Buckeye Institute, February 5, 2018.
[2] **More Than $18 Million Spent on The Buckeye Institute's Top 10 List of Worst Capital Budget Requests**, The Buckeye Institute press release, March 5, 2018.
[3] Scott A. Wolla, ***The Economics of Subsidizing Sports Stadiums***, Federal Reserve Bank of St. Louis, May 2017.
[4] Greg R. Lawson, ***Broadband "GON" Wrong: Remembering Why Government-Owned Broadband Networks are Bad for Taxpayers***, The Buckeye Institute, February 14, 2018.

###

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The Buckeye Institute, 88 East Broad Street, Suite 1120, Columbus, OH 43215

Baker, Dan

From: The Buckeye Institute <info@buckeyeinstitute.org>
Sent: Thursday, February 22, 2018 2:23 PM
To: Baker, Dan
Subject: The Buckeye Institute's Greg Lawson: Court Ruling Allows Ohio Small Businesses to Focus on Growing and Creating Jobs

THE BUCKEYE INSTITUTE

Contact: Lisa Gates, Vice President of Comms

(614) 224-3255 or **Lisa@BuckeyeInstitute.org**

FOR IMMEDIATE RELEASE
February 22, 2018

The Buckeye Institute's Greg Lawson: Court Ruling Allows Ohio Small Businesses to Focus on Growing and Creating Jobs

Columbus, OH - Greg R. Lawson, research fellow at **The Buckeye Institute**, issued the following statement regarding Franklin County Judge David Cain's decision to uphold a provision in Ohio's budget that allows the state to collect municipal business-profit taxes from cities, counties, and villages.

"The **decision** by Franklin County Judge David Cain to uphold an Ohio law that allows businesses, that must file tax returns in multiple jurisdictions, to voluntarily consolidate their filings through the state is an important step in reforming our broken tax system.

"**The Buckeye Institute**, along with national organizations such as the **Tax Foundation**, have long called for Ohio to fix its byzantine municipal income-tax system, which is one of the most complicated and unfair systems in the nation, and continues to be a significant obstacle to Ohio's economic growth.

"The reform, passed in the most recent **biennial budget**, is a solid step towards fixing our tax code and it is disappointing that many local officials would rather sue the state than

repair a system that harms Ohio's small business owners who don't have the money to hire high priced accountants.

"No doubt this won't be the end of the story as appeals will likely be filed. But today, Ohio businesses can breathe a little easier and focus on growing and creating jobs."

###

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Baker, Dan

From: The Buckeye Institute <info@buckeyeinstitute.org>
Sent: Friday, February 16, 2018 10:03 AM
To: Baker, Dan
Subject: New Reason Foundation Study Offers Another Reason to Keep Capital Budget Focused on Infrastructure

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THE BUCKEYE INSTITUTE

New Reason Foundation Study Offers Another Reason to Keep Capital Budget Focused on Infrastructure

By Greg R. Lawson
February 16, 2018

A **newly-released report** from the Reason Foundation, reinforces the need for state policymakers to keep the soon-to-be-released capital budget focused on repairing and building Ohio's physical infrastructure. Something The Buckeye Institute recently called for in our own report, ***Principled Spending: Using Ohio's Capital Budget to Benefit Ohioans***.

The Reason Foundation's 23rd Annual Highway Report found that **Ohio ranked** 26th in the nation in highway performance and cost-effectiveness. Not a great ranking for the country's seventh largest state with the ninth largest highway system.

And when you get into the details, the rankings don't get much better. Ohio ranked:

- 20th in deficient bridges;
- 27th in urban Interstate pavement condition;
- 23rd in urbanized area congestion;
- 28th in rural Interstate pavement condition; and
- 17th in rural arterial pavement condition.

The good news is state policymakers have an opportunity to address this problem and can do so without having to spend vast amounts of additional dollars.

By re-focusing the portion of the capital budget typically spent on pork projects and instead spending it on repairing Ohio's roads and bridges we can begin to reverse these lackluster rankings. That will put Ohio, and Ohioans, back in the fast lane.

Greg R. Lawson is the research fellow at The Buckeye Institute.

\# # #

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Baker, Dan

From: The Buckeye Institute <info@buckeyeinstitute.org>
Sent: Thursday, February 08, 2018 2:06 PM
To: Baker, Dan
Subject: The Buckeye Institute Calls for the Protection of Taxpayers and Free Speech

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THE BUCKEYE INSTITUTE

Contact: Lisa Gates, Vice President of Comms

(614) 224-3255 or **Lisa@BuckeyeInstitute.org**

FOR IMMEDIATE RELEASE
February 8, 2018

The Buckeye Institute Calls for the Protection of Taxpayers and Free Speech

Columbus, OH -- The Buckeye Institute has joined a coalition of more than 100 organizations calling on Congress to protect taxpayers and their First Amendment rights to confidentially give to charitable organizations without the fear of intimidation (**Read the letter here**).

"Sadly, Americans have been intimidated, harassed, and even threatened for their political and religious beliefs, which should never happen in this country," said **Robert Alt**, president and chief executive officer of The Buckeye Institute. "Americans have a First Amendment right to join, support, and speak collectively through organizations without being put on a government list that is vulnerable to hackers and leaking to extremists who refuse to tolerate opposing views."

The coalition **sent a letter to Congress** calling for the elimination of the 990 Schedule B form requirement for 501(c) organizations, which is a mandatory IRS form that lists names and addresses of donors who give to private charities and other 501(c) organizations. Although the IRS is legally prohibited from using the information collected, the retention of this information, as the letter highlights, has resulted in intimidation and harassment of donors.

###

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The Buckeye Institute, 88 East Broad Street, Suite 1120, Columbus, OH 43215

Baker, Dan

From: The Buckeye Institute <info@buckeyeinstitute.org>
Sent: Wednesday, January 24, 2018 11:05 AM
To: Baker, Dan
Subject: The Buckeye Institute Unveils Outdoor Ads Highlighting the Need for Worker Voting Rights

THE BUCKEYE INSTITUTE

Contact: Lisa Gates, Vice President of Comms

(614) 224-3255 or **Lisa@BuckeyeInstitute.org**

FOR IMMEDIATE RELEASE
January 24, 2018

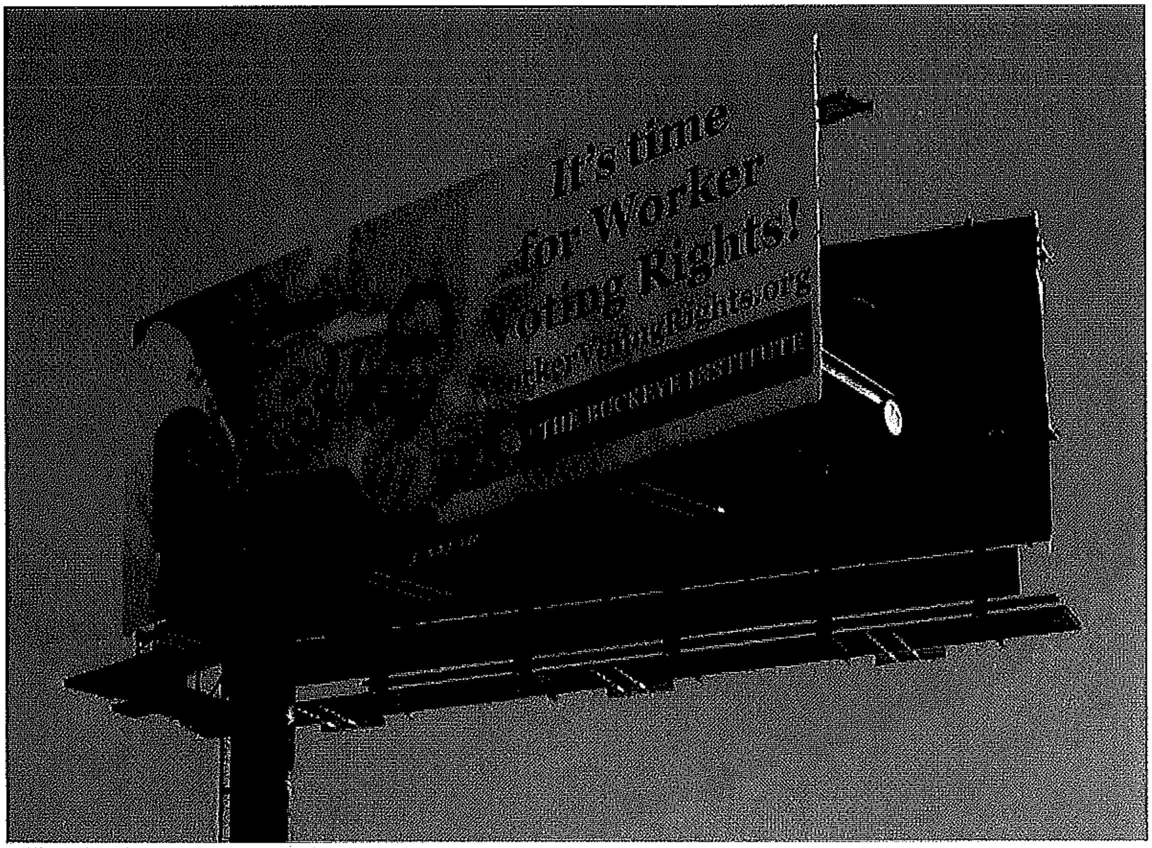
The Buckeye Institute Unveils Outdoor Ads Highlighting the Need for Worker Voting Rights

Columbus, OH -- The Buckeye Institute recently unveiled outdoor advertisements to raise awareness of the need for **worker voting rights** for Ohio's public employees. Buckeye's worker voting rights campaign highlights the importance of giving public-sector employees a vote in choosing the union that represents them at the bargaining table, something **94 percent of union members** have never had the opportunity to do.

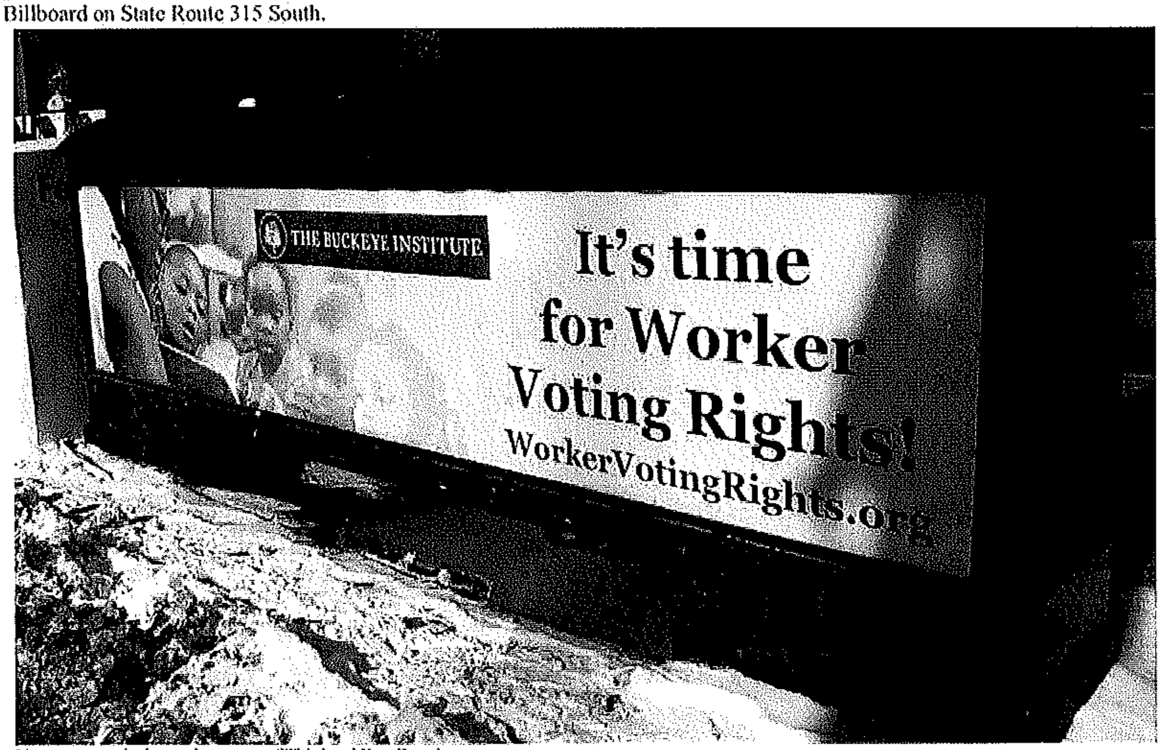
"Every morning, hardworking men and women go to work on our behalf-they teach our children, take care of the sick and elderly, repair our roads, and issue our drivers licenses. While these people go to work for us, far too few of them have ever had the opportunity to vote for the unions to which they must pay dues or fees," said **Robert Alt**, president and chief executive officer of The Buckeye Institute. "Fortunately, there is a solution-worker voting rights. Giving public employees a regular vote in choosing the union that represents them will ensure unions are accountable to the workers they serve and will restore democracy and fairness to the system."

Buckeye's outdoor advertisements are located in Columbus, Ohio and include a billboard on State Route 315 South between the Ackerman Road and Lane Avenue exits, and two

newspaper rack advertisements. One at the corner of Third and East Broad streets and another at the corner of High and State streets.



Billboard on State Route 315 South.



Newspaper rack sign at the corner of Third and East Broad streets.

Newspaper rack sign at the corner of State and High streets.

###

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Baker, Dan

From: The Buckeye Institute <info@buckeyeinstitute.org>
Sent: Wednesday, January 10, 2018 2:54 PM
To: Baker, Dan
Subject: The Buckeye Institute Testifies on the Economic Impact of Ohio's RPS

THE BUCKEYE INSTITUTE

Contact: Lisa Gates, Vice President of Comms

(614) 224-3255 or **Lisa@BuckeyeInstitute.org**

FOR IMMEDIATE RELEASE
January 10, 2018

The Buckeye Institute Testifies on the Economic Impact of Ohio's RPS

Greg Lawson Testifies Before Ohio Senate Energy and Natural Resources Committee

Columbus, OH -- The Buckeye Institute's Greg R. Lawson testified today (see full text below or **download**) before the Ohio Senate Energy and Natural Resources Committee on the economic impact of Ohio's renewable portfolio standards (RPS), which House Bill 114 sets as voluntary goals and allows customers to opt out of the program.

In his testimony, Lawson outlined the findings of research conducted by The Buckeye Institute's **Economic Research Center** in its report, ***The Impact of Renewables Portfolio Standards on the Ohio Economy***. Using a dynamic macroeconomic model, developed by economists at The Buckeye Institute, researchers looked at the impact changes to the RPS would have on the state's economy and job growth. The four scenarios being considered by the legislature at the time were (see the appendix at the end of the testimony for results):

- Scenario I assumed the RPS remained suspended at 2014-2016 levels indefinitely and that renewable energy credits prices stayed constant at 2014 levels.
- Scenario II assumed the RPS was suspended indefinitely at 2014-2016 levels and that renewable energy credits prices gradually rose from 2014 levels to their historical maximum in 2026.
- Scenario III assumed the RPS mandates increased to 12.5 percent in 2026 and that renewable energy credits prices stayed constant at 2014 levels.

- Scenario IV assumed that the RPS mandates increased to 12.5 percent in 2026 and that renewable energy credits prices gradually increased from 2014 levels to their historical maximum in 2026.

Of the report's findings, Lawson stated, "We merely illustrate the economic impact of the RPS mandate under both high- and low-cost scenarios informed by historical data from the Public Utilities Commission of Ohio. Whether compliance costs are high or low in the future, however, we predict that RPS ultimately will reduce GDP and employment growth."

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Interested Party Testimony on House Bill 114
Before the Ohio Senate Energy and Natural Resources Committee

Greg R. Lawson, Research Fellow
The Buckeye Institute for Public Policy Solutions
January 10, 2018

Chairman Balderson, Vice Chair Jordan, Ranking Member O'Brien, and members of the Committee. My name is Greg R. Lawson, I am the research fellow at **The Buckeye Institute for Public Policy Solutions**, a free-market think tank here in Columbus that advocates for low-tax, low-regulation policies for Ohio.

In a report we issued last year,[1] The Buckeye Institute's **Economic Research Center** used a dynamic macroeconomic model to study the potential effects of Ohio's RPS program under four different scenarios. Using historical data, we calculated the percent increase in electricity prices caused by the cost of RPS compliance. Under the RPS, electricity providers purchase renewable energy credits-or RECs-which add expenses above and beyond the cost of buying and distributing wholesale electricity. Providers pass that additional cost on to consumers. Thus, RPS functions very much like a tax on electricity by increasing the product's price without providing the consumer with any additional benefit or value. Our economic model applied past and projected price increases caused by RPS to estimate the effect of this "tax" on state GDP and employment growth. The analysis revealed that RPS reduces Ohio's GDP and curbs job growth across the state.

If, for example, the mandates resume to 12.5 percent and the price of renewable energy credits increases to historical highs, we expect employment to fall 2.9 percent and the state's GDP to decline by 2.8 percent. Such reductions will mean 134,000 fewer jobs in Ohio. Even if REC prices remain constant at historical lows as the mandates resume to 12.5 percent, Ohio will employ 34,200 fewer people and produce nearly $4 billion less output by the final year of compliance.[2] Such ominous projections strongly support repealing the RPS mandate.

By using a simple methodology, our model's results do not rely on elaborate assumptions. We merely illustrate the economic impact of the RPS mandate under both high- and low-cost scenarios informed by historical data from the Public Utilities Commission of Ohio. Whether compliance costs are high or low in the future, however, we predict that RPS

ultimately will reduce GDP and employment growth. Our report estimates the RPS program's economic impact under four scenarios, which are all measured against a baseline estimate that assumes no RPS costs at all. These scenarios are explained more fully in the appendix attached to my remarks.

Our conclusion that RPS mandates raise electricity prices and reduce job growth-particularly in energy-intensive industries such as manufacturing-should not be controversial. In fact, Governor John Kasich summarized our view rather neatly when he rhetorically asked last year:

> "[Do] [y]ou want to bring more jobs back...in things like manufacturing?" And then answered: "[Then] [y]ou better have the cheapest energy you can have in the world. Do you know how much these alternative energies cost? A lot more than our traditional energy sources."[3]

Advocates of the RPS mandates contend that the program's economic costs and losses are offset by increasing investments and job growth in the renewable energy sector. Our model accounts for such green job growth. By using Ohio's historical RPS, electricity, and employment data, our model picks up green job growth and changes to non-green sectors attributable to the mandate. We find that green job growth was more than offset by losses in other sectors.

This should not be surprising for several reasons. First, considering Ohio electricity providers can purchase RECs from out-of-state resources. Second, Ohio-based renewable energy companies can sell goods and services to other states and thus maintain employees in Ohio regardless of Ohio policy. Third, the RPS subsidy from REC purchases is relatively small compared to numerous federal tax credits and subsidies. And finally, there are simply far more other sector jobs than green jobs.

To be sure, some prior studies claim to have found economic benefits from RPS programs. Our model and analysis, however, better reflects the likely economic effects of the policy because it is strictly tailored to the renewable mandate and does not conflate RPS costs with reduced bills from energy-efficiency mandates. Moreover, our fully documented and transparent model is *dynamic*, and does not rely on a static input-output analysis.

Dynamic economic models are better suited than static input-output models for assessing the potential economic impacts of policies like RPS. Input-output models fail to account correctly for behavioral changes such as the effects that a price increase has on electricity demand and total output-especially in energy-intensive industries. In other words, static input-output models incorrectly assume that green jobs will be created without taking resources away from other, non-green sectors of the economy. In theory, however, the increase in electricity prices caused by the RPS should force job losses and reductions in hiring growth in other sectors that do not receive the benefits of the mandate-and our findings confirm that theory. Thus, unlike other studies, our analysis accounts for economic realities rather than assuming or wishing them away.

One of those realities is that the RPS raises electricity prices for businesses, costing them money that they might have otherwise spent producing goods and creating jobs. Our model

research demonstrates that RPS mandates will cost more future jobs and GDP than they will create through renewable energy subsidies. As such, we must face the cold economic fact that continuing Ohio's "march up Mandate Mountain" will cost thousands of future jobs and billions of dollars. To escape that end, Ohio must eliminate the RPS mandate and retreat from that fateful march.

Appendix

The Buckeye Institute's estimate the RPS program's future economic impact under four scenarios.

- Scenario I assumed the RPS remained suspended at 2014-2016 levels indefinitely and that renewable energy credits prices stayed constant at 2014 levels.
- Scenario II assumed the RPS was suspended indefinitely at 2014-2016 levels and that renewable energy credits prices gradually rose from 2014 levels to their historical maximum in 2026.
- Scenario III assumed the RPS mandates increased to 12.5 percent in 2026 and that renewable energy credits prices stayed constant at 2014 levels.
- Scenario IV assumed that the RPS mandates increased to 12.5 percent in 2026 and that renewable energy credits prices gradually increased from 2014 levels to their historical maximum in 2026.

These four scenarios are measured against a baseline estimate without RPS costs. That baseline provides a counterfactual that predicts what the Ohio economy would have looked like without an RPS in place, and what the economy would likely become if the RPS were repealed entirely.

Table 1: Effects of RPS on the Ohio Economy

	Baseline Levels No RPS		Effect of RPS (Deviations from No RPS Baseline)							
			Scenario I		Scenario II		Scenario III		Scenario IV	
Year	GDP	Empl.	GDP	Empl.	GDP	Empl.	GDP	Empl.	GDP	Empl.
2011	440,925	4,403,600	-1,183	-12,200	-1,183	-12,200	-1,183	-12,200	-1,183	-12,200
2012	449,850	4,497,000	-820	-8,600	-820	-8,600	-820	-8,600	-820	-8,600
2013	453,837	4,573,000	-1,033	-10,900	-1,033	-10,900	-1,033	-10,900	-1,033	-10,900
2014	465,828	4,646,800	-680	-6,800	-680	-6,800	-680	-6,800	-680	-6,800
2015	473,206	4,646,800	-643	-6,700	-720	-7,200	-643	-6,700	-720	-7,200
2016	480,701	4,646,800	-653	-6,300	-810	-8,300	-653	-6,300	-810	-8,300
2017	488,315	4,646,800	-836	-8,400	-1,204	-11,900	-1,168	-11,900	-1,659	-16,500
2018	496,050	4,646,800	-836	-8,300	-1,335	-12,900	-1,510	-14,900	-2,360	-23,400
2019	503,907	4,646,800	-849	-8,300	-1,470	-14,000	-1,826	-17,600	-3,233	-31,100
2020	511,888	4,646,800	-812	-7,700	-1,623	-15,500	-2,138	-20,400	-4,225	-40,400
2021	519,996	4,646,800	-824	-7,700	-1,819	-17,200	-2,460	-22,800	-5,456	-50,800
2022	528,232	4,646,800	-785	-7,200	-2,020	-18,600	-2,791	-25,400	-6,859	-63,100
2023	536,599	4,646,800	-797	-7,200	-2,241	-20,300	-3,092	-28,000	-8,533	-77,300
2024	545,098	4,646,800	-795	-7,100	-2,469	-22,300	-3,374	-30,100	-10,466	-93,800
2025	553,732	4,646,800	-808	-6,800	-2,759	-24,400	-3,678	-32,100	-12,805	-112,400
2026	562,503	4,646,800	-806	-6,800	-3,099	-27,000	-3,991	-34,200	-15,485	-134,100

Source: The Buckeye Institute's Macroeconomic Model
Note: Total GDP of industrial sectors in millions of 2009$; Employment in units of full-time equivalent jobs, rounded to the nearest hundred.

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[1] Orphe Divounguy, Ph.D., Rea S. Hederman Jr., Joe Nichols, and Lukas Spitzwieser, ***The Impact of Renewables Portfolio Standards on the Ohio Economy***, The Buckeye Institute, March 3, 2017.
[2] REC prices likely will rise for three reasons. First, demand for RECs will grow as (1) annual compliance targets increase in states with existing RPS laws, (2) many states (e.g., New York and California) seek to increase existing or implement new RPS targets, and (3) companies (e.g., Amazon and Facebook) seek to "offset" more of their fossil fuel- and nuclear-generated electricity with renewables. Second, the demand for RECs will likely outpace the supply of renewable energy, causing REC prices to rise. Building new renewable generation sources greatly depends on federal tax credits and subsidies-and the most significant of those are scheduled to sunset within the next three to seven years (i.e., 2020 for wind, and 2024 for solar). The Trump Administration appears unlikely to support new federal regulations or subsidies favoring renewable generation investments. Finally, by regulation, Ohio electricity providers may only purchase RECs produced by renewable energy generators located in Ohio or her neighboring states. Ohio's REC supply is further constrained because her bordering states also rank well below-average in renewable energy potential and therefore are not strong candidates for future renewable energy investments.
[3] Emily Atkin, **"Kasich Bashes Clean Energy and Climate Action At Ohio Town Hall,"** ThinkProgress, March 14, 2016.

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The Buckeye Institute, 88 East Broad Street, Suite 1120, Columbus, OH 43215

Baker, Dan

From:	The Buckeye Institute <info@buckeyeinstitute.org>
Sent:	Wednesday, December 20, 2017 11:22 AM
To:	Baker, Dan
Subject:	The Buckeye Institute Releases Economic Freedom of North America 2017

THE BUCKEYE INSTITUTE

Contact: Lisa Gates, Vice President of Comms

(614) 224-3255 or **Lisa@BuckeyeInstitute.org**

FOR IMMEDIATE RELEASE
December 20, 2017

The Buckeye Institute Releases Economic Freedom of North America 2017

Ohio Ranks 35th Among the 50 States in Economic Freedom

Columbus, OH -- Ohio ranks 35th out of all 50 states in this year's ***Economic Freedom of North America*** report, released today by **The Buckeye Institute** in partnership with Canada's **Fraser Institute**. The report ranks every state and province in North America based on economic freedom as measured by government spending, taxation, and labor market restrictions.

"The news is mixed for Ohio. The state has moved up a few spots this year, mostly due to Governor John Kasich's tax reform efforts in 2015. Yet, overall Ohio still languishes in the bottom third of states and trails most of its neighbors," wrote **Rea S. Hederman Jr.**, executive director of The Buckeye Institute's **Economic Research Center** and vice president of policy, in the report's forward. "Given this ranking, it is not surprising that the state struggles to retain its workers and is not a destination for entrepreneurs seeking a new place to start a business."

Using date from 2015, the most recent year available, Ohio ranks 35th among the 50 states in economic freedom with a score of 6.7. That is up three places from 2016 when Ohio was ranked 38th and five places from 2015 when the state was ranked 40th. Included in the

report is Buckeye's **Ohio Economic Freedom Fact Sheet**, which summarizes where Ohio ranks in various economic freedom policies and how it compares to neighboring states.

Ohio's Ranking in Key Areas

Government Spending - 41st

- Consumption spending as a percent of personal income - 22nd
- Transfers and subsidies as a percent of personal income - 23rd
- Insurance and retirement payments as a percent of personal income - 47th

Taxes - 26th

- Income and payroll tax revenue as a percent of personal income - 27th
- Top income tax threshold $208,500
- Property tax and other tax revenue as a percent of personal income - 20th
- Sales tax revenue as a percent of personal income - 34th

Labor Market Freedom - 30th

- Minimum wage income as a percent of per capita personal income - 36th
- Government employees as a percent of total employees - 12th
- Union density as a percent of total employees - 35th

The Fraser Institute has measured economic freedom in every state and province in the United States, Canada, and Mexico for 13 years, creating a comprehensive assessment of trends in economic freedom. The Buckeye Institute and its Economic Research Center co-published the report for the third year in a row.

The Fraser Institute and The Buckeye Institute are independent think tanks that research and advocate for free-market economic policies. The Buckeye Institute's Economic Research Center specializes in data analysis of state-level economic policies.

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Sent by info@buckeyeinstitute.org

Baker, Dan

From: The Buckeye Institute <info@buckeyeinstitute.org>
Sent: Friday, November 17, 2017 10:23 AM
To: Baker, Dan
Subject: Buckeye's Rea Hederman: Something to be Thankful for in Ohio's Jobs Numbers

THE BUCKEYE INSTITUTE

Contact: Lisa Gates, Vice President of Comms

(614) 224-3255 or **Lisa@BuckeyeInstitute.org**

FOR IMMEDIATE RELEASE
November 17, 2017

Buckeye's Rea Hederman: Something to be Thankful for in Ohio's Jobs Numbers

Columbus, OH - Rea S. Hederman Jr., executive vice president at **The Buckeye Institute**, commented on newly released unemployment data from the **Ohio Department of Job and Family Services**.

"In time for the holidays, the Ohio labor market is looking up. The household survey showed a solid month for the labor market with the unemployment rate falling from 5.3 percent to 5.1 as more Ohioans found work. Further positive news is that Ohio now matches the U.S. average in labor force participation at 62.7 percent, after trailing the national average for much of the past year.

"The business survey was also positive, although not as strong, as only 1,000 private sector jobs were added to the Ohio economy. This is in part due to a fall in construction job opportunities (-1,100), a result of unseasonably wet weather in October. Local government hiring was up, and while positive for those who were hired, places additional strain on taxpayers.

"All in all, the Ohio economy is slowly looking up from dismal numbers this summer, and will hopefully continue to improve."

\# # #

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Baker, Dan

From: The Buckeye Institute <info@buckeyeinstitute.org>
Sent: Wednesday, November 01, 2017 10:03 AM
To: Baker, Dan
Subject: The Buckeye Institute: Competition is Critical When Replacing Aging Water & Sewer Lines

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THE BUCKEYE INSTITUTE

Contact: Lisa Gates, Vice President of Comms
(614) 224-3255 or **Lisa@BuckeyeInstitute.org**

FOR IMMEDIATE RELEASE
November 1, 2017

The Buckeye Institute: Competition is Critical When Replacing Aging Water & Sewer Lines

Columbus, OH -- Following on **The Buckeye Institute's** policy brief, ***Competition Saves Taxpayer Money on Water and Sewer Line Repair***, Buckeye's Greg R. Lawson submitted testimony (see full testimony below) to the Ohio House State and Local Government Committee on the policies in House Bill 121.

In **his testimony**, Lawson highlighted the issue of water and sewer infrastructure as one that is important "not only for taxpayers' pocketbooks but also for their health and wellbeing."

Lawson went on to note that there are a number of considerations engineers and local officials must take into account when determining the best materials to use for water and sewer pipes saying, "Many factors, such as soil conditions and load, influence the engineering specifications for such a project. Design engineers are qualified experts who must closely study the particular conditions of the project and take these factors into account. They are therefore in the best position to determine what material or materials are suitable."

Of critical importance is to ensure that taxpayers get the best value and the best product for their infrastructure projects with Lawson stating, "Governments should embrace competitive bidding...[and] refrain from imposing regulations that negate the market incentives for industries to lower costs and provide better products."

###

Interested Party Testimony Submitted to the Ohio House State and Local Government Committee on House Bill 121

Greg R. Lawson, Research Fellow
The Buckeye Institute for Public Policy Solutions
November 1, 2017

Chair Anielski, Vice Chair Hambley, Ranking Member Holmes, and members of the committee, thank you for the opportunity to testify today. My name is Greg Lawson and I am the research fellow at **The Buckeye Institute**, a think tank that advocates free-market policies for Ohio.

The policy under consideration addresses the funding and regulation of public water and wastewater projects. This is an important issue not only for taxpayers' pocketbooks but also for their health and wellbeing, and one we looked at in our recent policy brief, ***Competition Saves Taxpayer Money on Water and Sewer Line Repair***.

Many factors, such as soil conditions and load, influence the engineering specifications for such a project. Design engineers are qualified experts who must closely study the particular conditions of the project and take these factors into account. They are therefore in the best position to determine what material or materials are suitable.

If more than one material is suitable, economics will likely become a factor. The best value may not always be the cheapest bid. The lowest-cost material that meets the specification may indeed be the best value, or the highest-cost material may be the best value over the long-run, taking into account factors such as the durability of the material and financing terms.

To ensure that taxpayers get the best value, governments should embrace competitive bidding. Free competitive markets raise quality and lower prices. Governments should refrain from imposing regulations that negate the market incentives for industries to lower costs and provide better products.

Businesses should make their best proposal for the work required, and governments should select the bid that provides the best value for taxpayers. Taxpayers can and should make local officials justify their decisions and hold them accountable.

Indeed, Ohio recognizes the value of competitive bids and state law requires government contracts be open to competitive bidding in most situations.[1] As the Ohio Supreme Court has explained, competitive bids on government projects "protect the taxpayer, prevent

excessive costs and corrupt practices, and provide open and honest competition in bidding for public contracts."[2]

Engineers may worry that absent a restrictive ordinance, the county may be required to choose the lowest bid. But that is not the case. Ohio law instructs that contracts be awarded to the "lowest and *best* bidder."[3] Thus, if, in the engineer's professional opinion, the lowest bid is not also the best bid, the engineer may legally select the better product or service even at the higher price.[4]

As communities look to repair and replace expensive infrastructure, local leaders should embrace competition and accountability and respect the know-how of the trained professionals tasked with fixing the problems.

Thank you for your consideration. Appended to my testimony is a **reprint of an op-ed** that Buckeye recently published in a local Ohio newspaper which you may also find useful and informative.

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[1] Ohio Rev. Code Ann. § 307.86.
[2] *Cementech v. City of Fairlawn*, 109 Ohio St. 3d 475, at 477.
[3] Ohio Rev. Code Ann. § 735.05 (Emphasis added).
[4] *Danis Clarkco Landfill Co. v. Clark County Solid Waste Management Dist.*, 73 Ohio St. 3d 590, at 603.

###

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Baker, Dan

From: The Buckeye Institute <info@buckeyeinstitute.org>
Sent: Monday, October 30, 2017 2:29 PM
To: Baker, Dan
Subject: Buckeye's Greg Lawson: Controlling Board Vote on Medicaid Spending Highlights Need for Greater Reform

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THE BUCKEYE INSTITUTE

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FOR IMMEDIATE RELEASE
October 30, 2017

Buckeye's Greg Lawson: Controlling Board Vote on Medicaid Spending Highlights Need for Greater Reform

Columbus, OH -- The Buckeye Institute's Greg R. Lawson issued the following statement on today's vote by the Controlling Board to **approve $264 million in Medicaid** spending.

"Today's Controlling Board vote to authorize the **Department of Medicaid** to spend an additional $264 million in taxpayer dollars highlights the need for far greater reforms to a program long known as the 'Pac-Man' of the state budget.

"Before any further dollars are appropriated, the General Assembly should make certain that the Kasich Administration will seek waivers that add meaningful personal responsibility requirements for those in the expansion population, **including the Healthy Ohio waiver**, which would empower Medicaid recipients to obtain better care, put Ohio's Medicaid program on sounder financial footing, and ensure that needy Medicaid enrollees have to access to good medical care."

# # #

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The Buckeye Institute, 88 East Broad Street, Suite 1120, Columbus, OH 43215

Baker, Dan

From: The Buckeye Institute <info@buckeyeinstitute.org>
Sent: Wednesday, September 27, 2017 9:35 AM
To: Baker, Dan
Subject: Batter Up: Buckeye's ad to debut during Reds and Indians games

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THE BUCKEYE INSTITUTE

Batter Up: Buckeye's ad to debut during Reds and Indians games

While the country debates NFL players' controversial protests of our National Anthem, The Buckeye Institute is cheering on Major League Baseball's two Ohio teams this week. We hope you are too.

The regular season is drawing to a close, and your Buckeye Institute has stepped up to the plate to hit a timely homerun.

Our new campaign has already earned media attention across the country in more than 31 radio markets with much more to come! We are also posting an editorial on **FoxNews.com**, which we will send as soon as it goes up.

Ladies and Gentlemen, it's time to play ball: **Worker Voting Rights: Giving a Voice and Choice to Union Members** is airing during several upcoming Cleveland Indians and Cincinnati Reds games.

Mark your calendar and tune in to catch our ad live!

Game:	Date:	To Air During:	Station:
Cleveland Indians v. Minnesota Twins	Wednesday, September 27	Innings 2-3	FSN
Cleveland Indians v. Chicago White Sox	Friday, September 29	Innings 1-6	STOh & CSCh

Cincinnati Reds v. Milwaukee Brewers	Wednesday, September 27	Innings 5-6	FSW1 & FSOH
Cincinnati Reds v. Chicago Cubs	Sunday, October 1	Innings 6-9	FSOH

Visit **www.WorkerVotingRights.org** to learn more about this important issue.

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Support The Buckeye Institute!

The Buckeye Institute, 88 East Broad Street, Suite 1120, Columbus, OH 43215

From: The Buckeye Institute <info@buckeyeinstitute.org>
Sent: Friday, July 20, 2018 11:01 AM
To: Baker, Dan
Subject: The Buckeye Institute: Ohio is Witnessing a Strong Job Growth Year

THE BUCKEYE INSTITUTE

Contact: Lisa Gates, Vice President of Comms

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FOR IMMEDIATE RELEASE
July 20, 2018

The Buckeye Institute: Ohio is Witnessing a Strong Job Growth Year

Anti-Free Trade Policies Will Hurt Ohio's Job Market and Economic Growth

Columbus, OH -- Andrew J. Kidd, Ph.D., an economist with The Buckeye Institute's Economic Research Center, commented on newly released employment data from the **Ohio Department of Job and Family Services** (Click **here to download** the audio file).

"Halfway through 2018, Ohio is on track for a year marked with solid job growth and a strengthening labor market. While Ohio's unemployment rate rose slightly in June to 4.5 percent from 4.3 percent in May, this was primarily due to more Ohioans returning to the labor force to search for work as can be seen in the increased labor force participation rate which grew to 62.9 percent. This growth has been fostered by the federal tax reform and Governor John Kasich's tax policies, which have created an economic environment conducive to job creation. However, current federal trade policies could hinder this growth in the months to come.

"About 9,100 Ohioans found jobs in June in the non-farm private sector, with significant growth in the leisure and hospitality sector (10,400 jobs) due to the summer vacation months. However, some Ohio industries suffered job losses due to the tariffs imposed by the Trump Administration combined with the retaliatory tariffs imposed by Mexico, Canada, the European Union, and China. Although the manufacturing sector saw a slight increase of 1,900 jobs, the retail trade sector lost 1,800 jobs and the construction sector lost 2,600 jobs. Ohio is not immune to the negative economic effects of the protectionist trade policies, and, if these tariffs remain in place, the daily cost of living for Ohioans and the cost of production for Ohio businesses will increase, making it more difficult for job creation to continue.

"Ohio is witnessing a strong job growth year, yet, the anti-free trade policies being adopted will hurt Ohio's job market and economic growth. Ohio lawmakers need to pushback

against these destructive taxes to ensure Ohioans can keep their jobs and job seekers can continue to find jobs."

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The Buckeye Institute, 88 East Broad Street, Suite 1120, Columbus, OH 43215

Baker, Dan

From:	The Buckeye Institute <info@buckeyeinstitute.org>
Sent:	Thursday, July 12, 2018 7:01 AM
To:	Baker, Dan
Subject:	Medicare for All is a Poor Prescription for What Ails Health Care, By Greg R. Lawson

THE BUCKEYE INSTITUTE

Medicare for All is a Poor Prescription for What Ails Health Care

By Greg R. Lawson
July 11, 2018

Guaranteeing high quality health care at a cost that does not break the piggy bank is one of the great challenges confronting policymakers today. Everyone wants access to the best possible health care at the best possible prices. Obamacare was supposed to help. It did not. Now, an even more harmful idea is making the rounds among many politicians, **Medicare for All.**

The costs of implementing this system -- if anyone can determine how the system is to work in the first place -- will be astronomical, and is why advocates for the idea should level with the public about costs.

This program, popularized by Vermont Senator Bernie Sanders, is a single-payer health care system, with taxpayers on the hook for costs. Already, several states, including Sen. Sanders' **own Vermont**, and **California**, have attempted such endeavors and have found that the easy promises and talking points fade into irrelevance when confronted with fiscal reality.

The projected state price tag for Vermont, with a population of only 620,000 people, is around $2.6 billion. California's costs are much higher and are estimated to be around $400 billion, of which $50 to $100 billion will be new spending. This would require either a massive tax increase or major reductions to other state services such as education.

The cost for a national program would naturally be exponentially larger. Sen. Sanders himself estimated a 10-year cost of $13.8 trillion (yes with a "T")! Other analyses found that to be a lowball estimate, with the **Urban Institute** (hardly a conservative organization) estimating an eye-popping increase of $32 trillion in federal spending requiring ever more debt, tax increases, or cuts to other necessary programs.

Costs are not the only problem. By putting spending control in the hands of government bureaucrats, the program fails to allow consumers to look for the best services they and their family need. Just as bad, once the cost becomes too much, Medicare for All will lead to **lower quality of care while stifling innovation**.

Supporters of this tax-payer funded system should explain how they will pay for the program while not diminishing people's health care coverage and services, and how they will avoid stunting the innovation Americans expect in the health care marketplace. If they can't explain this, then they are merely playing to the political crowd and not offering real solutions to real challenges.

A **better solution** is to look to the states and focus on increasing access to a larger number of health care providers that will help connect people to care while also driving down costs. There are many ways this can be achieved.

- Including different health care practitioners, such as nurses, **to expand the care** they are allowed to provide patients.
- **Expand telemedicine** to help improve outcomes by getting treatment to people quicker and at a lower cost
- Increase the use of **charity care** to treat economically disadvantaged people without thrusting them into a government run program.
- Embrace **health care price transparency**, that has been attempted (and stymied by special interests) in Ohio, which would tell consumers the real costs of the procedures they are considering. This would create a demand for better services at better prices.
- Adopt patent reforms that will facilitate a speedier path to market for high-quality, less expensive, generic drugs.

The bottom line is there are better ways to help Ohioans, and all Americans, get the health care they need and deserve without imposing a one-size fits all, Washington, DC run program. Policymakers need to focus on finding real solutions, not making easy promises that will put us deeper in debt and trap people in a system of low-quality health care.

Greg R. Lawson is the research fellow at The Buckeye Institute.

# # #

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The Buckeye Institute, 88 East Broad Street, Suite 1120, Columbus, OH 43215

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Baker, Dan

From:	The Buckeye Institute <info@buckeyeinstitute.org>
Sent:	Wednesday, July 11, 2018 8:00 PM
To:	Baker, Dan
Subject:	The Buckeye Institute Reacts to DeWine's Support of Medicaid Expansion in Ohio

THE BUCKEYE INSTITUTE

Contact: Lisa Gates, Vice President of Comms

(614) 224-3255 or **Lisa@BuckeyeInstitute.org**

FOR IMMEDIATE RELEASE
July 11, 2018

The Buckeye Institute Reacts to DeWine's Support of Medicaid Expansion in Ohio

Columbus, OH -- The Buckeye Institute responded to Attorney General Mike DeWine's **statement** that he now supports Medicaid expansion in Ohio, saying in a Tweet, "This is ill-advised."

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The Buckeye Institute, 88 East Broad Street, Suite 1120, Columbus, OH 43215

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Baker, Dan

From:	The Buckeye Institute <info@buckeyeinstitute.org>
Sent:	Tuesday, July 10, 2018 11:06 AM
To:	Baker, Dan
Subject:	The Buckeye Institute Launches Workers Choose Campaign to Allow Public Employees to Express First Amendment Rights in Wake of Janus Ruling

THE BUCKEYE INSTITUTE

Contact: Lisa Gates, Vice President of Comms

(614) 224-3255 or **Lisa@BuckeyeInstitute.org**

FOR IMMEDIATE RELEASE
July 10, 2018

The Buckeye Institute Launches Workers Choose Campaign to Allow Public Employees to Express First Amendment Rights in Wake of *Janus* Ruling

Columbus, OH -- Following the U.S. Supreme Court's **decision in *Janus v. AFSCME*,** The Buckeye Institute launched its Workers Choose campaign, which gives public employees in Ohio the tools they need to express their newly-recognized First Amendment rights.

"In *Janus v. AFSCME*, the U.S. Supreme Court ruled that public-sector workers can no longer be forced to pay for political speech without their affirmative consent," said Robert Alt, president and chief executive officer of **The Buckeye Institute**. "For public-sector employees who seek to exercise their First Amendment rights and withdraw from their government union, **WorkersChoose.org** will allow them to initiate the process online in three easy steps. For those workers who are happy to continue supporting their government unions, they also have the First Amendment right to maintain their membership in them. The Janus decision is a win for all of our public workers, who are now respected and have a right to choose -- and those choices must be honored. I'm not sure how anyone could be opposed to letting workers decide for themselves."

To initiate the process of withdrawing from their government union, visitors to **WorkersChoose.org** will:

- Be asked to provide their name and email address;
- Find and select the county in which they work from a dropdown menu;
- Choose their employer from a dropdown menu; and

- Identify their government union in a dropdown menu.

Instructions will then appear that outline the opt-out process for that union and, when known, the specified timeframe or opt-out window. A completed notification letter, unique for each user, will be available for download and submission, as will union and employer contact information. Workers will simply need to download the letter and either email or send a hard copy to the listed contacts as instructed. If workers are required to email or send their notification letter at a future date, visitors have the option of signing up to receive an email notification when their opt-out window opens.

For public employees who have questions, there is a toll-free number, 1-855-e-Choose, and an email address, **WorkersChoose@BuckeyeInstitute.org**, that they can use for further assistance.

"If you are one of Ohio's hardworking teachers or other public-sector employees who prefer not to financially support or participate in your government union, **WorkersChoose.org** will allow you to begin the notification process today," said Alt.

###

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Baker, Dan

From: The Buckeye Institute <info@buckeyeinstitute.org>
Sent: Monday, July 02, 2018 12:15 PM
To: Baker, Dan
Subject: ICYMI: Buckeye's Robert Alt Looks at the Impact of Janus in The Columbus Dispatch & The Hill

THE BUCKEYE INSTITUTE

Following last week's Supreme Court ruling in *Janus v. AFSCME*, Robert Alt, president and chief executive officer at The Buckeye Institute, looked at what the ruling means for Ohio's public employees and government unions in ***The Columbus Dispatch*** (complete piece below).

Alt also had a piece in ***The Hill***, where he wrote, "Consent matters. But you don't have to take my word for it -- just ask the Supreme Court of the United States. In *Janus v. AFSCME*, the Court's five-member majority held that the First Amendment protects public-sector employees -- including petitioner Mark Janus -- from being compelled 'to subsidize private speech on matters of substantial public concern' without prior affirmative consent."

Read the full *Hill* piece **here**.

The Columbus Dispatch

Janus decision protects workers who dissent from union

The Columbus Dispatch
By Robert Alt
July 1, 2018

In *Janus v. American Federation of State, County, and Municipal Employees, Council 31*, the U.S. Supreme Court decided that public-sector workers must affirmatively consent before any money can be taken from them for union fees.

Since Wednesday's ruling, folks on both sides have unfortunately succumbed to hyperbolic overreaction. The most cursory recollection of our country's founding reminds

us that the same idea of consent was integral to empowering the government in the first place. Accordingly, it should surprise precisely no one that the court was concerned with the compulsion aspect of the case's facts.

Plaintiff Mark Janus -- an ordinary child-support specialist at the Illinois Department of Healthcare and Family Services -- objected to paying mandatory union fees as a condition of his employment and lamented, "The union voice is not my voice. The union's fight is not my fight. But a piece of my paycheck every week goes to the union. I am not anti-union... But unions aren't a fit for everyone. And I shouldn't be forced to pay money to a union if I don't think it does a good job representing my interests."

The Supreme Court agreed with Janus that, indeed, consent matters. Common courtesy and basic human decency have always demanded it, but now -- in overruling its own 41-year-old precedent in *Abood v. Detroit Board of Education* -- the court found that the First Amendment requires affirmative consent when it comes to paying union fees, too.

Writing for a five-member majority, Justice Samuel Alito raised the court's objection to public employees being forced to financially support their unions, "even if they choose not to join and strongly object to the positions the union takes." Such an arrangement, Alito concluded, "violates the free speech rights of nonmembers by compelling them to subsidize private speech on matters of substantial public concern."

Unions will continue to serve their consenting members for generations to come -- only now they will do so more effectively, more efficiently and without trampling the constitutional rights of their members.

Any Ohio unions worried that *Janus* and other subsequent right-to-work laws will catalyze the end of unions and union membership can rest easy. Empirical studies and data from right-to-work states, including our neighbors Indiana and Michigan, demonstrate that even after enacting right-to-work laws, union membership not only does not suffer but often increases.

In the first full year after Indiana's right-to-work law took effect, for example, the state added 3,000 new union members. Although union membership initially fell slightly after Michigan adopted right-to-work rules in 2013, it has since recovered, accounting for 15.6 percent of all wage and salary workers in 2017 -- up from 14.4 percent in 2016 and well above the national average of 10.7 percent.

After *Janus*, the quality of public-sector union representation inevitably will improve. Removing coercion and requiring affirmative consent will incentivize union leaders to be more responsive to the needs and desires of their union members, which will increase the value of union membership by refocusing the union's attention on increasing job satisfaction and working conditions for members.

Happier and better-served union members who have affirmatively consented to their union membership should be our shared end goal across the political spectrum.

Public-sector workers won the long-overdue right to be respected, irrespective of their individual decisions regarding union membership. And, in a nation founded upon the consent of the governed, the standard of consent adopted by the Supreme Court in *Janus* finally gives our hardworking public servants the voice and choice they have always deserved.

Robert Alt is the president and chief executive officer of The Buckeye Institute in Columbus.

###

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From: Rossman, Brent
Sent: Friday, September 29, 2017 10:43 AM
To: House_All
Subject: Goodbye!
Attachments: IMG_2029.JPG

Good morning everyone,

Since I started in the House, I've had the Ashbrook Center's pocket Constitution and Declaration perched upon my desk. It's a neat little booklet that also contains Lincoln's Second Inaugural, the Gettysburg Address, and excerpts from some of Thomas Jefferson's letters. I've turned to it many times for inspiration, and occasionally, for work purposes. I carried this same pocket constitution while I was in college, when I was just beginning to understand the depth of meaning contained in our Founding documents.

Now, I am excited to carry this same little booklet back to the Ashbrook Center to embark on a new chapter in my career. With it, I carry back a deeper understanding of the legislative process, and great experiences in politics. It still astounds me that we all have had the opportunity to help make law and improve the lives of 11.5 million people. I'm incredibly grateful for the opportunity to serve the people of Ohio. These experiences will all help me with my new mission of cultivating good civics education in our country through the use of primary source documents.

Better yet, I'll also carry with this little booklet memories and friendships that will last a lifetime. I'll miss the House, but I won't be far away. Feel free to stay in touch. My cell is 419-561-0073 and my personal email is brossman4913@gmail.com

Sincerely,

Brent Rossman
Legislative Aide
Representative Wes Goodman
Ohio House of Representatives
District 87

Brent.Rossman@ohiohouse.gov
Office: 614.644.6265
Cell: 419.561.0073

Baker, Dan

From: Rep30
Sent: Wednesday, April 26, 2017 2:26 PM
To: Rep48; Rep93; Rep71; Kasych, Shawn; Baker, Dan
Cc: Zielinski, Justin; Snider, Grace; Stepp, Taylor; Hartman, Sarah
Subject: FW: Oppose Travel Taxes in Ohio

ALEC opposes the Rep. Antani proposal to tax hotel intermediaries, for the reasons expressed by Rep. Dever and others.

From: Ashley Varner [mailto:avarner@jeffersonian-project.org]
Sent: Wednesday, April 26, 2017 1:34 PM
To: Rep30 <Rep30@ohiohouse.gov>
Subject: Oppose Travel Taxes in Ohio

ISSUE ALERT

April 26, 2017

To: **Members of the Ohio House of Representatives**
From: **The Jeffersonian Project**
Re: **Oppose Travel Taxes in Ohio**

The operating budget currently under consideration in the Ohio General Assembly (Substitute HB 49) would levy the sales tax on travel services- defined as "acting as an agent to sell travel, tour, or accommodation services to the general public or commercial clients." As a result, sales and use taxes would be calculated based on the full price paid by customers to the travel intermediary, i.e. including the fees charged by online travel agents.

Additional taxes make travel to Ohio more expensive, thereby harming Ohio's tourism industry and weakening the economy as a result. **The Jeffersonian Project, the 501(c)4 affiliate of the American Legislative Exchange Council (ALEC), strongly opposes this new discriminatory service tax on the Ohio travel and tourism economy.**

Intermediaries connect potential tourists with Ohio hotels, and by doing so, help generate tax revenue from these visitors through their in-state commerce. Visitors also add to the Ohio economy through purchases at local restaurants, stores, events and other in-

state businesses. In a modern, digital economy, intermediaries serve as a crucial facilitator to position the state to benefit from domestic and global travelers.

Imposing new taxes in Ohio, including taxes on the state's crucial travel industry, impedes economic growth and conflicts with the ALEC Principles of Sound Taxation, which states that tax policy should be competitive, neutral and fair to all business, regardless of industry. Moreover, as ALEC model policy - the Travel Agent Tax Fairness Act - notes, online travel companies are separate entities from accommodations providers. Online travel companies do not provide lodging and amenities, but instead facilitate the purchase of that lodging.

What Ohio will lose in tax revenue from travelers who choose to stay elsewhere will likely outweigh the revenue generated by the expanded tax; such is the epitome of shortsighted tax policy. As the principle from Economics 101 suggests, when you tax something more, you get less of it. Earlier this session, lawmakers in Montana and Arkansas rejected similar taxes on travel intermediaries, understanding that applying new taxes on travel services will create a disincentive to travel to states with such taxes.

Ohio's sales tax burden is already higher than 21 other states; income earners already endure the nation's 13th highest income tax rate, state and local rates combined, on top of this. Adding to the burden will harm Ohio taxpayers.

Therefore, the Jeffersonian Project strongly encourages members in the Ohio General Assembly to avoid new taxes on the state's travel and tourism economy and instead focus on broader, fundamental reforms that improve the state's competitiveness.

Thank you for your consideration.

The Jeffersonian Project is the 501(c)4 affiliate of the American Legislative Exchange Council.

Baker, Dan

From: Lenzo, Mike
Sent: Tuesday, April 26, 2016 1:08 PM
To: Lenzo, Mike
Subject: JLEC Memo on Political Conventions
Attachments: 2016 JLEC Memo on Political Conventions.pdf

Importance: High

To All House Republican Members and Staff:

Attached you will find the 2016 JLEC memorandum on attending a political convention. With the Republican National Convention being located in Cleveland in July, there will likely be many members and staff who decide to attend the convention in various capacities, as well as many different receptions and other events associated with the convention. The attached JLEC memo will help explain the ethics implications of many of the situations that may arise during the convention.

The most important detail to remember regarding the Republican National Convention is that it is a **campaign event.** The exemption that applies to the meetings of national conferences that the General Assembly pays dues to (such as NCSL, ALEC, CSG, etc) **does not apply to the Republican National Convention.**

There will be many different situations that arise regarding the convention. Please contact me if you have any questions.

Michael Lenzo
Majority Legal Counsel
House Republican Caucus
Ohio House of Representatives
614-466-3716

Baker, Dan

From:	Rosenberger, Cliff
Sent:	Tuesday, April 11, 2017 11:33 AM
To:	Rosenberger, Cliff
Subject:	MEMO: 2017 ALEC Spring Task Force Summit
Attachments:	ALECSpringTaskForce.pdf

Ohio House of Representatives

THE OHIO HOUSE OF REPRESENTATIVES

Cliff Rosenberger
Speaker, Ohio House of Representatives

Memorandum

To:	**All House Republican Members**
From:	**Speaker Cliff Rosenberger**
Date:	**April 11, 2017**
Re:	**2017 ALEC Spring Task Force Summit**

As many of you already know, the American Legislative Exchange Council is America's largest nonpartisan, voluntary membership organization of state legislators dedicated to the principles of limited government, free markets and federalism. Comprised of nearly one-quarter of the country's state legislators and stakeholders from across the policy spectrum, ALEC members represent more than 60 million Americans and provide jobs to more than 30 million people in the United States.

On May 5, 2017, ALEC will be hosting their Spring Task Force Summit, located in Charlotte, North Carolina. This one-day summit will give participants the opportunity to collaborate with legislative leaders from across the country on some of the following issues:

- Civil Justice
- Commerce, Insurance and Economic Development
- Communications and Technology
- Criminal Justice Reform
- Education and Workforce Development
- Energy, Environment and Agriculture
- Health and Human Services
- Tax and Fiscal Policy

I can personally attest to the benefit of working with leaders from across our great country to find solutions to common issues. If you are interested in joining ALEC and participating in the 2017 Spring Task Force Summit, I encourage you to visit their website at https://www.alec.org/.

If you have any questions or concerns, please do not hesitate to reach out to me or to Tyler Yaple in my office at Tyler.Yaple@ohiohouse.gov or 614-466-7959.

Baker, Dan

From: Ingram, Catherine
Sent: Friday, July 13, 2018 4:31 PM
To: Flasher, Kim; House_All
Subject: Re: Legislative Conferences and Travel

Is this message in regard to only the annual meeting or does it also refer to any other event sponsored by said organizations?

Sent from my T-Mobile 4G LTE Device

-------- Original message --------
From: "Flasher, Kim" <Kim.Flasher@ohiohouse.gov>
Date: 7/13/18 3:18 PM (GMT-05:00)
To: House_All <House_All@ohiohouse.gov>
Subject: Legislative Conferences and Travel

Memo to: All House Members

From: Speaker Ryan Smith

Date: July 13, 2018

Re: Legislative Conferences Annual Meetings

As you may know, the Ohio General Assembly pays dues to several National Legislative Conferences such as NCSL, CSG, and ALEC. As these organizations begin holding their annual meetings, several of you may be interested in attending.

In the past, the House has allowed a limited number of Members to attend with a set expenditure reimbursement from the State permitted. This year, the House will approve any Member who would like to attend ONE national meeting and will cover the conference registration fees. The Member is liable for all remaining expenses. Such expenses may be covered through personal or campaign funds.

It is advised that you consult with your caucus Legal Counsel before utilizing campaign funds toward any travel.

If you would like to register for one of the annual meetings, please complete the attached "Request for Travel Form" and return it to Kim Flasher in the Administrative Office.

If you have any questions, please feel free to contact me or Kim. Thank you.

Baker, Dan

From: Flasher, Kim
Sent: Friday, July 13, 2018 9:53 PM
To: Ingram, Catherine
Cc: House_All
Subject: Re: Legislative Conferences and Travel

Representative Ingram,

Thank you for the question. This applies to all travel.

Have a good weekend,

Kim

Sent from my iPhone

On Jul 13, 2018, at 4:31 PM, Ingram, Catherine <Catherine.Ingram@ohiohouse.gov> wrote:

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>
> Sent from my T-Mobile 4G LTE Device
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